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Heads Chemical Institute

Dr. H. G. Thode, principal of Hamilton College of McMaster University and one of Canada's outstanding nuclear chemists, this week was elected president of the Chemical Institute of Canada. The Institute has some 3,800 members in industry, universities and governments, has 28 local sections, 18 student chapters and 10 national subject divisions, such as agriculture, engineering, metallurgy.

THE NATION'S BUSINESS

We Can't Cure This Without Some Pain

A patient needing surgical operation must be prepared to accept some pain and so must any country that hopes to curb inflation.

To make room for defense production some production for civilian consumption had to be curtailed. In Canada as in other countries we simply do not have sufficient capacity to handle both jobs.

Curtailing civilian production without some check on soaring civilian demand would be inviting still more price inflation—hence the credit controls which are now beginning to show how deeply they can bite.

How much of the present and threatened slow-down in certain special segments of the economy is due to the effect of credit controls and how much is due to postwar demand having approached saturation point it is impossible to determine accurately.

But one truth is that sales of motor cars, electrical appliances and other things have for years now been traveling at stratospheric levels. Any assumption that they would forever continue at those heights would seem pretty unwarranted.

The current public panic over the Ford shut-down can be dangerous. Widespread closing down of plants might indicate that credit controls were too severe in relation to the speed with which defense orders were being translated into actual work in hand.

But we don't believe the time has yet arrived when there can be a categorical or correct answer to that question.

Inflation has been called Moscow's secret weapon. It can destroy our economy as effectively as force of arms.

The fact that the credit control program is biting shows that at long last we are making some progress in slowing down inflation. Unfortunately, the process in some way is likely to be unpleasant for all of us.

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Our Swelling Chemical Empire

In the second section of this issue, we report for laymen on current developments in Canada's far-flung chemical industry.

One can pull out all the big and splendid adjectives about the size and significance of this program and what it means for our industrial maturity and for the betterment of all Canadians. Yet words alone will fail to bring into the mind the full scope and meaning of what is now going on.

Take just one example, the new Columbia Cellulose plant near Prince Rupert, last week visited by a Financial Post representative. Here among the mists and rocks of our Pacific Northwest has just been opened a $27 million plant for high alpha pulp production. Here was a major feat of imagination and engineering, and despite our familiarity with big figures the fact remains that $27 millions is still a lot of money for one plant.

And almost before this plant was in production, plans were finalized for increasing its output, much of which can be achieved by installing additional machinery within the present walls.

And the same week another associate of the same company was starting work on what will be at least a $52 million project near Edmonton. There, in a chemical partnership with the oil refinery industry, cellulose will be carried a further stage toward its final usefulness to the consumers of textiles and plastics.

Back again to the north Pacific coast, to Kitimat about 400 miles north of Vancouver. Now it is a fishing village, 47 small buildings visible from the sea. A very few years hence, Kitimat will be a major community of British Columbia.

There work has begun for a 100,000 ton aluminum plant scheduled for completion by 1954. From there productive capacity is to be advanced to a fabulous 550,000 tons. By harnessing a series of mountain lakes and drilling ten mile tunnels through the mountains, Alcan will get a water power head seven times Grand Coulee's, giving it power costs of one cent a pound compared with 2¾ to 3¼ for new power capacity on the U. S. Gulf coast.

The cost of all this: The first phase (i.e. 1945) $160 millions; the whole job $550 millions.

The effect of such giant projects on the development of British Columbia, on the populating of interior areas, on the development of ancillary industries and services, for the improvement of the lives of people, will be profound.

And those are only three of the more dramatic examples, all from the far west, of what is taking place today.

What Brings Them Here

Most of the reasons for these great industrial developments are obvious: we have the raw materials.

But one other factor is almost invariably mentioned by the men of foreign companies making vast new investment here. The stability and quality of our government; the ability of our key civil servants and the comparative ease with which negotiations with governments in this country can be carried out.

But Columbia Cellulose has one more and very important reason. It holds Forest Management License Number One from British Columbia. Under this new policy British Columbia's licensed and managed forest areas will never be depleted and the company can look forward, not to moving out and on when the available timber is consumed, but to a permanent supply of raw material. Reforestation, protection, fostering forest regrowth and scientific direction of where cutting may at any time be done promise benefit for everybody.

In this week's feature report on Canada's swelling chemical industry there is a challenge to all Canadians; a foretaste of a greater Canada — provided always we preserve sound ways of government, of public morality and individual enterprise.

Ottawa to Act in Fall If U. S. Drops Seaway

Prepare Legislation Which Would Let Canada Go Ahead With All-Canadian St. Lawrence Navigation And Power Project

OTTAWA (Special) — Legislation will be introduced at the fall session of Parliament clearing the way for Canada to go ahead on its own in construction of an all-Canadian St. Lawrence power and navigation development.

This doesn't mean Canada has given up hope of a joint Canadian-U. S. undertaking. But official Ottawa is fully aware that chances of U. S. early participation are growing less daily.

It will be known shortly if Congress is going to approve U. S. participation this year. In the meantime, Ottawa is keeping mum on future intentions, but preliminary steps already have been taken to plan the legislation which will be laid before Parliament early in the fall session.

Officially, the Government is still standing by its view that joint development is desirable. This viewpoint is being stressed constantly through diplomatic channels partly to avoid any suggestion of high-pressuring on the part of Canada.

As soon as the formal decision of the U. S. is made, the Government plans to take another look at the prevailing situation. There would be four alternatives — to drop the plan, to sponsor Ontario and New York State developments of power and navigation, to proceed with the All-Canadian development or to wait again for the U. S.

Everything points to the third alternative. The only thing that might persuade Canada to wait again for the U. S. would be some personal assurance from President Truman next year might see Congressional action. But as 1952 is a presidential election year, chances then probably would be worse than now.

Canada would like to get the

(Continued on Page 3, Col. 1)

Packaging Supply Still Lagging Behind Demand

How's business in Canada? What's the outlook?

If you ask the men who design and produce the packages — from small fancy boxes to big, tough corrugated board — you can get a pretty fair answer.

Here it is:

There's been a definite lull, but despite consumer and bank credit restrictions and all the other factors, the big problem is still to keep supply in pace with demand. Currently demand is leading by about 10%.

Many firms are trailing demand by as much as two and three months in some lines. Business and industry are getting used to placing orders for packaging well in advance of needs.

The lopsided demand-supply picture hasn't resulted from shortages of raw materials (though paper board from Canadian mills is in short supply). Nor does it mean the industry is asleep at the industrial switch. It's expanding and has been expanding since the end of the last war, but the expanding tempo of Canadian manufacturing has set too stiff a pace. Too, improved marketing techniques, including the self-service idea, are making big demands.

In the fall, it's expected that defense requirements will flood new life into the various arteries of an industry that's already bursting at the seams.

That's the general picture.

Here's how things look in some of the branches of the industry:

Corrugated Paper Box industry is in a poor position on deliveries. Demand has doubled in the past five years; order filling is running about 10% behind. The industry is "probably worse off than at any time during the last war."

Normally the paper mills get an estimate of tonnage requirements for the year from manufacturers and plan output accordingly. This year estimated tonnage was 30% ahead of mill capacity.

Despite increased mill production of paper board (again almost doubled since the war) they can't meet needs of manufacturers. The mills collectively have some $7 millions to $10 millions on order in new equipment, but delivery on paper-making machinery runs from two to five years.

As the result, all corrugated box plants have been running part time.

Carton manufacturers experienced "a glimmer" of reduced demand, but the slack is more than taken up with normal canning season demand. Defense is expected to take up more slack. It's thought that military clothing and bedding will be stock-piled in corrugated cartons.

Paper Boxes: Demand for set up boxes is also ahead of supply, but delivery can be made "within a reasonable length of time today."

While demand has soared for both since the war, some of

(Continued on Page 3, Col. 4)

Here's How To Get U. S. Steel When CMP Goes on July 1

The United States Controlled Materials Plan goes into effect July 1. Last week, to help Canadian importers of steel from the U. S., the Steel Division of Ottawa's Defense Production department, issued a new set of instructions.

Effective June 15, steel buyers who need a preference rating or official assistance to get steel from the U. S. should apply to the Steel Division. They are required to fill out one copy of Form SD-CMP-1

In every case, the application must be the buyer who actually issues the purchase order to the supplier, U. S. supplier, or to his branch office in Canada.

Importers who have already been authorized to use DO ratings in the third quarter of 1951, do not have to reapply on the new CMP form.

Buyers who get their supplies from Canadian sources are not affected by the new regulations.

PRICES

Cardboard boxes of all types used in packaging of thousands of end products are moving up in price, reflecting 10% jump in price of cardboard plus other production cost increases. Increases will vary and will be as high as 10% at least.

Interest rates on clients' debit balances at member houses of the Toronto Stock Exchange are being raised by a number of brokerage firms from 5% to 5¼%. This is as a result of the increase in call loan interest charged the brokers by the banks.

Harbor dues and dockage costs will be upped 25% on July 1 by National Harbors Board unless protests from several shipping organizations are upheld. Increased rates will go into effect in Montreal, Quebec, Three Rivers, Halifax, Saint John, Chicoutimi, and Churchill.

Pulp prices will likely remain steady for third quarter. After pretty regular price increases in each quarter since early part of 1950, it now looks as if prices are going to hold for several more months at least.

Bread prices may rise as a result of a flour price increase which followed a hike in what millers pay for wheat. Trade Minister Howe put a 6c bu. carrying charge onto wheat sold under the International Wheat Agreement, effective on 1951-52 sales, and a similar domestic charge effective now, both to cover "marketing costs." Flour is up about 30c bbl. Bakers were already pressed by increases in labor, other costs.

$3 Million Chemical Plant For Shell Oil

Canada's fast developing petrochemical future looked brighter than ever this week with announcement that Shell Oil Co. of Canada plans to build a $3 million chemical plant at Montreal East for manufacture of isopropyl alcohol and acetone. This will boost total planned outlay in petrochemical projects for Montreal East to over $14 millions—for Canada to over $75 millions.

Basic material for Shell's 20 million pound annual output of both chemicals will be petroleum gases. The project will help move Canada one step further in her drive toward chemical self-sufficiency. Up to now all the isopropyl alcohol requirements—used in a broad range of industry including paints, industrial solvents, antiseptics, de-icer for aircraft—have had to be imported, mostly from the U. S. The project will also be unique in that it will produce for the first time in Canada acetone from petroleum gases. (The newly formed B.A. Shawinigan Ltd. also plans to make acetone from petroleum gases.)

The new plant will use propylene gases from the recently modernized and expanded Shell refinery in the area. Construction will start this summer and completion is scheduled for latter half of 1952.

Also planning construction of a chemical plant for Montreal East based on petroleum gases is a newly formed chemical company owned 50-50 by B.A. Oil and Shawinigan Chemicals—products, phenol and acetone; and Dominion Tar & Chemical—products, ethylene-glycol and associated chemicals.

$80 Million Jet-Trainer Order In Sight

MONTREAL (Staff) — About $80 millions of the expected $100 million Shooting-Star type jet trainer construction program now being negotiated by Ottawa and Washington will be spent in Canada, The Post understands.

All the details in connection with the proposed deal have not yet been ironed out, although the U. S. has granted permission to have the trainers built in Canada (The Post, June 9). However, if all goes well, it's thought that the first Shooting Star may roll off the production line at Canadair Ltd., where the order is to be placed, within a year from now.

According to present plans, the aircraft will be a completely Canadian-built machine with the exception of the engine. About 50% of the job will be subcontracted. License to build it at Canadair must first be obtained from its U. S. designers and producers, Lockheed Aircraft Corp.

The aircraft will be built for the RCAF to aid in the training of Canadian and NATO pilots. Designated the T-33, it has been modified from the operational version to include two seats and dual controls and instruments to allow pilots to get some intermediary jet experience between the Harvard primary trainer (reciprocating engine) and jet fighters such as the F-86 Sabre.

The aircraft cost about $200,000 each and it's expected the order will total 500. Although defense production co-ordinator Crawford Gordon, Jr. has indicated that the Government would like to see Canada become an alternate source of the trainers for the U. S. and other NATO countries, the order now contemplated does not include aircraft for any customers other than the RCAF, The Post understands.

Not only will an estimated 2,000-3,000 additional workers be needed at Canadair if the deal goes through, but it will probably mean employment for about 3,000 in sub-contracting firms, Ottawa indicated.

Still further employment may be provided if another rumored aircraft deal with the U. S. materializes. Negotiations are believed under way which may be placed with Canadair in the not-too-distant future. This aircraft would have reciprocating engines, not jets, it's understood.

What's Real Cause Hard-Goods Slide?

Key Executives Point to Overproduction and Heavy Buying Before the Budget and Before Credit Curbs Were Put On By Ottawa

Key merchandising, manufacturing and finance company officials this week told The Financial Post that credit restrictions and material shortages have been getting more than their share of blame for the current slump in automobile and electrical goods sales.

Plant layoffs, definite and impending, and appeals to Ottawa to ease the credit restrictions (The Financial Post, June 16) emphasized the effect of the sales drop.

Here are some of the factors top executives said should be considered in looking at the over-all picture:

1. Temporary market saturation in many items because of heavy pre-budget and pre-credit curb buying to avoid expected price increases.

2. Overproduction by manufacturers in first quarter of the year in an effort to avoid material shortages by producing as much as possible before increased excise taxes came into effect and stiffer material controls are put into effect.

3. Restriction of credit as a result of dangerous overexpansion "which reached all-time peak," said a finance company official. "Now with rising personal incomes most people will be paying back some of the money they owe. Then they'll start buying again."

4. A drop in new housing since imposition of credit curbs with corresponding drop in household goods purchases both hard and soft.

5. The supply has caught up with the demand in many hard goods items. "I think we can definitely say now we've satisfied the demand for these goods created by the depression years and war years," said one executive.

Most of those contacted by The Post felt it was unfair to compare present sales conditions with those of a few months ago. Sales in most goods were above last year's highs, "to take this year's first quarter sales as 'normal' would be absurd."

Here's what's been happening to production:

Product	Period in 1951	Production (in units)	% Increase over same period 1950
Cars & trucks	till June 9	217,136	33%
Radios	1st 2 mo's	107,533	28%
Domestic type washing machines ..	1st 3 mo's	84,837	39%
Electric refrigerators	1st 3 mo's	102,251	55%

On the employment picture, more people are employed now than ever before in Canada and unemployment is near to the all-time low.

Here's the picture around the industries:

Automobiles — general slump in production with plants declaring partial or complete production shutdowns or production slowdowns. Sales more than 50% down. Complaint by one Toronto new car salesman — "none of us have sold a car all week."

Here's the production record: total car and truck production Jan. 1 to June 9, this year — 217,136. Last year — 160,309.

New motor vehicle sales in April (latest) advanced 25% above the number sold April 1950 and the total retail value of new motor vehicles sold increased 54%.

Refrigerator sales have fallen badly in low income areas. Stop in home building expected to accentuate this trend. Manufacturers blame credit restrictions, others blame overproduction. First quarter production was up 55% over the same period last year. March production alone up 32% above March 1950.

Radio, TV and phonograph sales were down 50% and over. All causes including slack hot weather season balmed. But the TV record showed sales of 18,461 sets in the first four months against 5,306 in the 1950 period.

The production of many other

(Continued on Page 3, Col. 3)

Inside News

Labrador Timber

What's in the cards for Labrador's rich timber reserves? What are the problems of capital? Transportation? Production? How are they being met? (p. 15).

Chemical Boom

Will our expanding chemical industry become Canada's biggest single industry? What's under way now in the big test tube field? What does the next decade hold? A special Post roundup (pages 19 to 29).

Lawyers and Labor

Should lawyers be kept out of labor negotiations? A leading Canadian industrialist says Yes. The Post put the question to a representative group of Canadians. Their answers may surprise you. (The Question, p. 12).

The U.K. Picture

Is this a lull before a political storm in Britain? Read how good weather is turning British thoughts to relaxation? See how budget criticism mounts. Read Adelphi (p. 36).

MacNab Account

How's the MacNab account doing? This week the manager handling this mythical account for The Post announces he has sold stock to buy debentures. Read why (Managed Investment, p. 5).

$1.5 Million Fur Factory Signs Up in Newfoundland

By RUPERT JACKSON

ST. JOHN'S — The Newfoundland Government has signed an agreement with a fur processing organization for the setting up of a factory in St. John's.

The factory is planned as a $1.5 millions plant, employing 500 men and paying out about $1.5 millions annually in wages.

This is part of the continuing economic and industrial development program in Newfoundland, put into force last year by Premier J. R. Smallwood. (The Financial Post, June 2.) Further developments in the program are expected shortly.

Under the present scheme, the new fur dyeing and processing plant will by a year-round operation handle all types of furs, both from wild animals and fur farms. If the local supply of furs is insufficient for the factory's needs, raw furs will be imported.

The final product will be shipped out of Newfoundland to markets in North America and Europe.

To ensure a continuing supply of raw furs in the future, the company will encourage the development of new fur farms on the east and northeast coasts of Newfoundland, in addition to the 60 fur farms now in existence. This, in turn, will create additional employment both for fur farm operators and for fishermen who will catch fish to feed the animals.

The factory will bring in skilled fur processors at first for there are few Newfoundlanders who know the fur business except those already employed by local fur processors.

To build up a band of skilled Newfoundland fur processors, under the agreement the company undertakes to send young Newfoundlanders to various fur processing centres for nine months to one year's training in handling all types of furs.

In addition to its fur operations the company will also process sheep fleece, thus for the first time giving Newfoundland sheep raisers a large local market for their wools.

The factory will take raw skins and process them. It would then dye the processed furs and turn them into finished products, such as fur coats, gloves, muffs, neckpieces, collars, and so on.

Curb Canada-Moscow Traffic

Criminal Code Amendments May Slow Red Parade

The steady parade of Canadian Communists and fellow travelers to Moscow and elsewhere behind the Iron Curtain, may be about over. About 40 are scheduled to make the pilgrimage this year. A dozen have already taken the trip.

It is understood that one of the amendments to the anti-Communist Criminal Code introduced in the House this week, is aimed specifically at pro-Communist junkets such as the Korea trip from which Mrs. Nora Rodd of Windsor is now returning.

A delegate to the Communist-front Congress of Canadian Women, Mrs. Rodd was the leader of a delegation of women representing the so-called Women's International Democratic Federation, the International co-ordinator of Communist activity among women's organizations throughout the world.

The delegation went to Korea to "investigate American atrocities."

Aiding An Enemy

The amendment would make it an offense to "assist while in or out of Canada, any enemy at war with Canada or any armed forces against whom Canadian forces are engaged in hostilities, whether or not a state of war exists between Canada and the country in question."

It isn't thought amendment bars actual visits. But if the visitor makes a statement which comes under the meaning of the amendment, he or she is open to action. Because the main result of such visits is anti-Canadian propaganda, the amendment by curbing "assistance" to the enemy, should slow down the parade.

It is thought the amendment would put a serious crimp in travel by people like Dr. James Endicott, who although denying he is a Communist, is recognized as one of their leading spokesmen through the Canadian Peace Congress.

He was quoted in the Moscow Press during his visits to the Soviet capital last year with statements that could conceivably bring him under the shadow of the proposed amendment.

John Boyd, alias Ivan Boychuk, a known party member, was quoted during his visit as saying that the Canadian Korea force was made up of "social scum" and that 2,000 of the original 5,000 unit had deserted just before embarkation.

Other Amendments

Other proposed amendments would tighten the law against sabotage and sedition. None go as far as Progressive Conservatives would like, although penalties and terms have been tightened. But as long as the Communist party itself is legal, the government feels that this is as far as it can go at the moment.

A proposed amendment to Sec. 134 would increase from two to seven years the penalty for speaking "any seditious words or publishing any seditious libel or if a party to a seditious conspiracy."

It is proposed to insert a new section which would make anyone guilty of an indictable offence and subject to a prison term who wilfully:

(A) "interferes with, impairs or influences the loyalty or discipline of;

(B) publishes, edits, issues, circulates, or distributes any writing that advises, counsels or urges insubordination, disloyalty, mutiny or refusal of duty by; or

(C) advises, counsels, urges or in any manner causes insubordination, disloyalty, mutiny or refusal of duty by any member of the RCMP, the Canadian forces, or the naval, army or air forces of a state other than Canada but lawfully present in Canada."

The idea is to fight any Red fifth column in Canada, aimed at causing dissension within the armed forces.

Put Controls On Lead, Zinc And Cadmium

OTTAWA (Special) — Primary lead, refined secondary lead, slab zinc and cadmium will join the ranks of controlled materials on July 1. On that date they will be placed under direct allocation by the nonferrous metals division of Defense Production. The metals have been under informal rationing by producers for several months.

Under the new system, purchase approval will not ordinarily be granted where inventories are considerad excessive. The order is similar to those issued recently for nickel, copper and aluminum.

Pace of Business

Claims for unemployment insurance benefits 6% fewer in April, than year earlier.

Department store sales in April up 11% over previous April.

Chain hardware store dollar volume climbed 32% in April, from same month last year. Chain food stores sales rose 18%; drug stores fell 1.6%.

Leather footwear production hit highest level in two years in March. Monthly output 6% above year earlier; first quarter up 7%, in pairs manufactured.

Electric refrigerators production in March 32% above last March, in units produced. First quarter up 55%.

New dwelling units started, completed, both up in April and in first four months this year, compared with corresponding periods last year. Starts first four months, 17,252 units, up 5%. (A gain in Ontario offset declines in other provinces). Completions first four months, 25,209, up 8.3%. (Gains in Ontario, B.C., Newfoundland). Units under construction end of April, 51,090, up 6.2% from last April.

Power production by central electric stations one fifth higher this April than last.

Carloadings week ended June 9 hit new record for period, 7.9% above corresponding week last year. First 23 weeks this year leading last year by 9.9%.

Steel wire nails output up 4% first quarter, over first quarter last year.

Production Portland cement 17% higher in April than last year in tons; 9.4% higher in first four months.

Domestic exports dollar volume up 44% in April from year earlier.

Asbestos shipments from mines up 27% in April, over last April, in tons. First four months up 30%.

Stocks of frozen fish June 1, 7% higher, in pounds, than June 1, 1950.

Urban transit system receipts 1.7% lower this February than year earlier.

Salt production, shipments first four months this year both higher than same period last year. Shipments up 19%.

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THIRTEEN YEARS in heavy steel industry coupled with electrical equipment on complicated products. Have successfully held positions in sales, administration and production. Presently Assistant Chief Engineer in large company. Engineering Graduate with highest references. Age 34, married with one child. Box 387, The Financial Post, Toronto.

SCOTSMAN, COMPANY EXECUTIVE, age 36, trained law (Scotland) with considerable business experience United Kingdom and Far East and presently holding senior administrative appointment with new subsidiary of large British Company in Eastern Canada, seeks change similar appointment elsewhere Canada; would consider joining private concern with view to partnership. Box 392, The Financial Post, Toronto.

Business Opportunity

COMPANY PUBLIC RELATIONS SERVICES. Locating of missing shareholders and customers. Agents throughout Canada. Enquiries wanted. Wm. L. Downs, 2984 Bloor St. West, Toronto 18, Ont.

FACTORY SPACE, staff, and capital available in Auckland, New Zealand for a manufacturer wishing to transplant or establish a subsidiary on a partnership basis in New Zealand. 900 square feet of space available immediately, and 7,500 square feet available later. Interested parties having plant processes and supervision available for transfer should reply, giving details, to "Subsidiary", c/o Goldberg Advertising, (Auckland) Ltd., P.O. Box 1750, Auckland, New Zealand.

EXPERIENCED HOTEL proprietor with reasonable Capital would like to open negotiations with Industrial Firm now operating or building their own Hotel, with idea of managing and purchasing said business. Best of references. Apply to Box 386, The Financial Post, Toronto.

CHEMICAL PURCHASING AGENTS wanted to purchase large spot inventories for New York Export House against cash payment. Banking references exchanged. Box 388, The Financial Post, Toronto.

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MANUFACTURER with large Defence Contract requires $20,000/$30,000 with active partnership or loan profit basis. Box 397, The Financial Post, Toronto.

Any U.K· Trade Problems?

British Trade Centre at Toronto is Supplying Answers

Have you got a trade question?

If it's about trade with Great Britain, concerning anything from bobby-pins to boilers, experts at the British Trade Centre in downtown Toronto can give you the answer in record time. They've already answered some $300,000 questions. Cost of the service — nothing.

These experts have the backing of the Canadian Association of British Manufacturers and Agencies — an organization formed a little over a month ago to stimulate and help develop trade between Great Britain and Canada.

The officials doing the work are: Hugh D. Scully, former Canadian consul-general in New York, now adviser to the Canadian office of CABMA; Stuart C. Legge, secretary of the Dollar Sterling Trade Advisory Council; John L. Bonus, general manager and secretary.

Here's what they've done so far:

Right after the opening of the association offices in the British Trade Centre, the Canadian International Trade Fair "gave us an opportunity right away to help Anglo-Canadian trade," said Mr. Bonus.

The large number of British exhibitors at the fair brought immediate inquiries from the British on everything from customs and tariff problems to general advice as to agents, markets, potential customers, saleability of products, packaging, etc. in Canada.

Canadians had some questions to ask too. One Canadian manufacturer wanted British machinery he saw at the Trade Fair — the exhibitor told him delivery was uncertain because of steel shortages in Britain. He came to the British Trade Centre, explained the problem and pressure was put on the Dollar-Sterling Export Board in England to give steel priority to the British manufacturer because he was shipping to an essential industry in a dollar market.

The whole operation was done quickly by cable. "Expediting trade and putting pressure on the right people is half our job at the Centre. We're in a position to cut through red tape and break bottle-necks in a minimum of time," Mr. Bonus explained.

Marketing Too

The other job, is aid in marketing and development of markets. For Canadians it could work this way: A British agent with a good distribution system gets in touch with the Centre wanting to know if there are any new Canadian ideas or products in a certain field which could be easily produced in Britain and have a good saleability.

The experts go to work — find a Canadian manufacturer producing some new gadget, then arrangements are made with the help of the centre to produce the gadget under license in England.

From the British end, a manufacturer of a consumer item thinks of getting into the Canadian market. What are his chances for success? The Centre makes a fast survey of market possibilities and cables the information back to England — things look promising.

The British manufacturer then calls for a detailed market survey — who would be his key customers, which cities should he enter first, what are the costs involved, etc. This work is handled for a fee by the British Export Trade Research Organization — also situated in the Trade Centre.

The main steps most British manufacturers are going through with respect to entering the North American market are: (1) distribution; (2) assembly; (3) manufacture.

The progression from one stage to the next takes much time and often a great deal of expense, Mr. Bonus explained. "It's not easy for a British manufacturer to enter the Canadian market if all he's had experience with so far is the highly concentrated European markets — the geographical distances involved here and the problems of advertising to obtain national coverage here are tremendous.

For example in Britain, the advertiser can reach nearly the whole British Isles by advertising in one newspaper — an impossibility in Canada.

With these problems and others such as making contracts with the right agents, customers, suppliers here the Trade Centre does an invaluable job.

Dollar Allowances

As getting enough dollars to cover expenses is a major problem for U.K. manufacturers wanting to enter the Canadian market, the centre is also of great help in this matter. It supplies market information and possibilities to the manufacturer — he in turn shows this to the British Treasury. If prospects look good he'll get a generous allowance of dollars to develop the market. But the treasury wants results — hence the need for accurate market information.

The Centre right now handles about 13 to 20 mail inquiries a day and over twice that number by telephone — there is no shortage of work.

Here's what it's got in mind for the future:

Since one of the biggest jobs of the British manufacturer is getting his products widely known in Canada, the Centre is toying with the idea of a promotional campaign of British goods in Canada for next year. This would involve traveling exhibits, advertising and other display and promotional work.

Generally for the future, whatever the production, supply or distribution difficulties involved in international trade today "difficulties are just made to be overcome" — that's the motto of the centre.

ANDY McDERMOTT

who has been appointed General Manager and a Director of a new broadcasting station sales representative firm, Radio & Television Sales Inc., with offices in Montreal and Toronto. Mr. McDermott will be headquartered at 10 Adelaide St. E., Toronto, with telephone PLaza 8944. CKVL, bi-lingual Verdun-Montreal station, and the French Associates Group Network are initial clients of the firm. Mr. McDermott's varied background includes more than 20 years in newspaper, radio and public relations work. He directed the Radio Division of RCAF Public Relations in Canada and Overseas. A member of the C.A.B. Sales Advisory Committee, and Chairman of Radio Broadcasting Committee at Ryerson Institute, he is also a director of the Toronto Advertising and Sales Club. *

CONTROLS

Weekly Digest of how U. S. is moving in controls; moves that may affect business and industry in Canada.

Steel—all producers of full alloyed steel products have been directed to increase their reserves of third-quarter production for rated orders, under Controlled Materials Plan.

Canadian Priorities—a new regulation provides that all Defense Orders—rated orders for MRO supplies placed by Canadian residents shall bear: DO-47. Certified under NPA Reg. 3.

Carbon Steel Bars—steel producers have been instructed to increase to 100% of base period shipments the allotments of cold finished carbon bars to converters starting with August production.

Zinc—redefined to no longer include alloys containing more than 50% zinc by weight.

Announcing

Bank of Montreal (Montreal)—P. H. Howarth, manager Toronto office; John Foss, superintendent Ontario district; William H. Phillips, superintendent Montreal district.

Bethlehem Steel Export Co. of Canada (Montreal)— Arthur T. Sargent, vice-president.

British American Oil Co. (Toronto)—R. F. Porter Jr., manager of transportation.

Canadian Vickers Ltd. (Montreal)—C. Grandsion Hoyt, director.

Canadian Industries Ltd. (Montreal)—George T. Boomer, district sales manager at new Hamilton office.

Canadian Westinghouse Co. (Hamilton) — Stanley M. Smith, western regional sales manager.

Consolidated Mining & Smelting Co. of Canada (Montreal)—W. S. Kirkpatrick, vice-president; J. Brydan, J. H. Salter, B. P. Sutherland, administrative assistants; E. Benson, assistant manager personnel div.; J. R. Mills, chairman research board.

Dominion Brake Shoe Co., Joliette Steel Div. (Montreal)—R. P. Boulay, sales manager.

Dominion Rubber Co. (Montreal)—Frederick H. Bydwell, general credit manager.

Electro Metallurgical Co. of Canada (Welland)—G. O. Loach, director and vice-president.

Fiberglas Canada Ltd. (Sarnia)—J. Fisher, general manager.

General Trust of Canada (Montreal)—Dr. Eugene Valin, director.

Independent Automobile Underwriters Club of Independent Automobile and Casualty Insurance Conference—Robert H. Wilson, president; W. C. Copeland, vice-president; Harold Reid, Secretary.

Iron Fireman Mfg. Co. (Toronto)—J. M. McKay, plant manager.

Institute of Accredited Public Accountants—Charles Paul, president.

Insurance Brokers' Association of the Province of Quebec—Charles J. Dupuis, president.

Insurance Institute of Montreal—James Richardson, president.

Kellogg Co. of Canada (London)—L. E. Rochester, vice-president, advertising.

Kensington Industries Ltd. (Montreal)—James C. Marshall, assistant manager.

Moore Corp. Ltd. (Toronto)—John S. D. Tory, K.C., director.

National Trust Co. (Toronto)—Argue Martin K.C., director.

Perfect Circle Co. (Toronto)—C. E. McTavish, president and general manager; C. E. Phillips, vice-president, sales; L. Kay, vice-president manufacturing; E. H. Hodgens, secretary.

Public & Industrial Relations Ltd. (Toronto)—B. J. McGuire and J. Bryan Vaughan, vice-presidents.

Silex Co. (St. Johns, Que.)—Lewis H. Duncan, vice-president.

Super Market Institute—J. William Horsey, regional director.

Union Gas Co. (Chatham)—George M. Douglas, general sales manager.

Ajax Firm President Heads World C. of C.

Rolf V. Heidemstam, president of newly-formed Canadian firm, Aga Steel Radiator Co. of Canada, Ajax, Ont., has been elected president of the International Chamber of Commerce of the World at the convention at Lisbon, Portugal.

ADVERTISING

Account Appointments, Plans And News of Personnel in the Canadian Advertising World

E. W. Reynolds Ltd. (Toronto) for T. Sisman Shoe Co., Aurora, Ont., planning biggest campaign in its history; to cover publications, dealer tie-ins, point-of-sale material and street car cards; scheduled to begin July 1.

* * *

Young & Rubicam Ltd., appoint Clyde McDonald to the Toronto office as account executive.

* * *

Kellogg Co. of Canada, London, sponsoring a new promotional campaign to assist retailers in selling Rice Krispies. Publicity in newspapers and radio in both English and French will feature a ring for boys and girls with their own name printed on it in luminous script.

* * *

O'Brien Advertising (Vancouver) for British Ropes Canadian Factory Ltd., expanding advertising to cover regular insertions in national business papers, in addition to its regular advertising in western trade journals. A one-page, two-color ad stresses claim that British wire ropes have "the lowest end cost per foot."

* * *

John McKenney Bingham Ltd. (Toronto) handle advertising for The Hat Research Foundation of Canada. Program planned for future merchandising of hats will stress the slogan that "Successful Men Wear a Hat"; aimed at salesmen and professional people dependent on good grooming, and school and college students. Internal public relations training campaign will be instituted to foster sales interest among the younger sales clerks in the apparel trade. Publicity tie-ups and promotions will come during National Hat Week, Father's Day, Christmas, etc. Foundation feels that hat sales this year will be boosted from $10 million in 1950 by about 20% in 1951.

* * *

Libby, McNeill & Libby of Canada Ltd., Chatham, Ont., are featuring a Vinylite plastic bib to purchasers of their baby foods. Premium is offered in general ads and through mailings to mothers. Dealer displays are also available.

* * *

Harold F. Stanfield Ltd. (Montreal) appointed to handle advertising for the Scotch Anthracite Coal Co. (1951) Ltd. and Sacco Oil Co., Montreal. Plans being prepared for use of media in Montreal and Toronto.

* * *

Re-elected president, Canadian Advertising & Sales Federation at the annual business meeting at Montreal was N. Roy Perry, research director, Maclean-Hunter Publishing Co. and business manager of Chatelaine. Immediate past president: Wm. C. Stannard (re-elected), vice-president, Erwin, Wasey of Canada Ltd., Montreal; treasurer: Roy W. Hofstetter, manager, radio station CKWS, Kingston; secretary: Wm. McL. Hamilton, general manager, Advertising & Sales Executives Club, Montreal; vice-presidents: Earl Hale, general manager, Weston Bakeries Ltd., Montreal; Graeme Fraser (re-elected), assistant general manager, Crawley Films Ltd., Ottawa; Cecilia E. Long (re-elected), account executive, Ronalds Advertising Agency, Toronto; Lockhart Johnston, manager, Remington Rand Ltd., Hamilton; Harvey R. Lemmon, sales manager, Bulman Bros. Ltd., Winnipeg.

* * *

New sales devices are coming to the fore in the oil heating equipment trade with the forecast of shortages in sales for these products. One dealer used the "auction" system of selling his oil burners. He offered burners at prices submitted by the two highest bidders; thereby gaining a list of live interested prospects.

* * *

Walsh Advertising Co. Ltd. (Toronto) producing and directing series of dramatized radio spot announcements to be used nationally for Astral Baby Refrigerator. The client is Taymouth Industries Ltd., Toronto.

* * *

British Columbia Sugar Refining Co., Vancouver, B.C., feature their Rogers' Golden Syrup in Western Canadian weekly and daily and farm newspapers, on streetcar cards and food business papers. Various uses for the syrup are shown and an 80-page recipe booklet is advertised.

* * *

Walsh Advertising Co. Ltd. (Toronto) directing concentrated seasonal newspaper campaign for Reddi-Wip, promoting strawberry desserts. Reddi-Wip is distributed by the United Co-operatives of Ontario.

* * *

Canadian Advertising Agency, Ltd. (Toronto), appointed to direct advertising for Sherritt Gordon Mines Ltd.

* * *

Planned to boost the sales efforts of the plumbing and heating industry is an educational 16 mm. moving picture "Water on Tap," produced by the Canadian Institute of Plumbing and Heating. This film is at present touring the west, will move east and then be distributed by the National Film Board in the fall to all rural circuits, English and French speaking. Sales pamphlet "The Invisible Farmhand" is distributed at the showing of the film to tell the farmer how to plan, finance and install running water, emphasizing the need of the help of plumbing and heating contractors. Copies of the film have been made available to any master plumber who wishes to show it to a prospective rural group.

$650,000 Bonds Okanagan Tel. Co. Being Offered

An issue of $650,000 Okanagan Telephone Co. 5% general sinking fund bonds, series A, is being offered by Royal Securities Corp. and Pemberton Securities Ltd. at 99½ and accrued interest. Bonds will be dated July 1, 1951, and mature July 1, 1971. Principal, premium and semi-annual interest — Jan. 1 and July 1.

Issue is to reimburse treasury for part of its past expenditure for additions and extensions, including conversion of some of the smaller exchanges to automatic exchanges, and to repay bank loan of $150,000. Proceeds of this issue together with amounts available from surplus earnings and investment of depreciation reserves are expected to finance expansion program until end of 1951.

Net profit for 1951 amounted to $71,997. Profit for three months period ended March 31, 1951, was $23,301. Annual interest charges on first mortgage bonds now outstanding amount to $35,625 and annual interest charges on general mortgage bonds now to be outstanding amount to $32,500. The trust deed will provide for a sinking fund for the retirement of 5% general mortgage sinking fund bonds, series A, payable annually, commencing April 1, 1953, of 2% of the greatest aggregate amount of series A bonds previously issued.

FOR RENT
IN EDMONTON, ALBERTA
Canada's Fastest Growing City

To Let: on long lease, wonderful store premises, suitable for any type of retail business. 16 ft. x 150 ft., modern front. In the heart of the city, on Jasper Avenue, and 101st Street. $1000.00 per month. Apply: Irving Kline, 10017 Jasper Ave., Edmonton, Alta.

SIMPSON'S
THE STORE FOR MEN

PICK A STRAW . . .

for its comfortable coolness, its handsome Summer appearance. One of Simpson's new collection of hand - woven Panama hats from 5.00 to 7.50 (illustrated)—6.50

at Simpson's Toronto

DEPT. 253
STREET FLOOR

Specialists in
BOILER ROOM RENOVATIONS
Contact
POWER PLANT CONTRACTORS
LIMITED
983 Pape Ave. Toronto, Ontario

This advertisement appears as a matter of record only. No public offering is being made of these Debentures.

$10,400,000
(U. S. Funds)

Province of Manitoba
3½% Sinking Fund Debentures
due June 15, 1971

This financing has been arranged privately through the undersigned.

Lehman Brothers
Fairclough & Company Limited
Oldfield, Kirby & Gardner, Ltd.

This advertisement appears as a matter of record only. No public offering is being made of these Debentures.

$6,700,000
(U. S. Funds)

City of Vancouver
3¼% Sinking Fund Debentures
due March 15, 1971

This financing has been arranged privately through the undersigned.

Lehman Brothers
Fairclough & Company Limited
Pemberton Securities, Ltd.
The Western City Company Limited

This advertisement appears as a matter of record only. No public offering is being made of these Debentures.

$4,137,000
(U. S. Funds)

Township of North York
(Province of Ontario)
4¼% Serial Debentures
due June 1, 1954-71

This financing has been arranged privately through the undersigned.

Lehman Brothers
Fairclough & Company Limited

June 20, 1951

Empire C of C Federation Plans Montreal Meet in '54

By KENNETH R. WILSON

LONDON (Staff)—Delegates to the seventeenth triennial congress of the Federation of Chambers of Commerce of the British Empire voted to hold the 1954 meeting in Montreal, dollars permitting. Otherwise, they'll go to Melbourne. The invitation was ably presented by General Ernie Walford, for the Montreal Board of Trade, Paul Dozois, for the Chambre du Commerce, and Mayor Houde, for the city.

Diehards almost succeeded in inserting the word "empire" in place of "commonwealth" in all resolutions of the meeting. The controversial issue of the Empire Council flared up at the final session. The main committee discussing this vetoed the idea; another committee recommended it, thus forcing a close formal vote.

Canadian delegates, headed by Gordon Cockshutt, took an active part in all discussions, resisting the narrow Sterling-Empire trade viewpoint. The Canadian attitude found strong support in the Commonwealth, now chafing under state trading and other protective U. K. policies.

New Zealand was especially vocal on the evils of the West's dairy products bulk buying. A strong resolution condemned "continued existence" of this practice as wholly unjustified and present U. K. Government intervention was cited as having deplorable results.

The congress was equally outspoken on the effect of government interference on commercial contracts.

On the controversial Empire Preference issue, the congress solidly supported no weakening principle, but accepted Canadian recommendations to "permit greater flexibility in preferential negotiations where advantage to commonwealth countries will accrue." The congress also approved a special paragraph on Canada's concern "that present restrictions impair Commonwealth trading relations and place in jeopardy the Imperial Preference trade system."

It was agreed that "close cooperation and complete understanding between sterling and dollar countries is essential to Commonwealth economic well-being."

Ottawa To Act In Fall If U. S. Drops Seaway

(Continued from page 1)

wheels turning in the foreseeable future and it would take some pretty plain talking by the President about U. S. future cooperation to change Ottawa's thinking now. So in terms of concrete expectations, construction work may start late in 1952 but more probably in 1953 on an all-Canadian development.

Ottawa knows nothing of suggestions that a Crown Company might be set up to carry the project through to realization. The idea has found support in some quarters as the most practical way the vast undertaking could be tackled. But as things stand now, the project would be done under the eye of the special projects branch of the transport department.

By late summer, the Government will be able to size up prospects, will know the answer of U. S. participation in the foreseeable future, and will be ready to go ahead with its own legislation for an all-Canadian scheme if American co-operation is denied now.

On the basis of what Ottawa hears, work is proceeding on preliminary preparation of legislation to launch Canada into the project and it will be laid before Parliament which is to come together sometime in October to deal with old-age pensions and other hangovers from the current session.

Cost $740 Millions

Cost of an all-Canadian 27-ft. route is now put here officially at $740 millions. This includes a 27-ft. canal in the Lachine section. But it is exclusive of 1.2 million hp of electric energy that is to be developed by Canada for exclusive Canadian use in this area. (In this section, power and seaway development are inseparable).

Of the $740 millions, the cost to the U. S. for deepening its channels to 27 ft. in the Upper Lakes, is about $90 millions. The cost attributable to power on the U. S. side of the International section is $200 millions.

This leaves $450 millions to be apportioned between Ottawa and the Ontario Government.

Just how this will be apportioned is now moving into the horse trading stage. But no agreement has been reached.

At one time, Ontario Hydro officials made it clear to Ottawa that they would be willing to pay not only the cost of all works needed for power development but also the total cost of works common to both power and the seaway. (This would leave the cost of works purely for navigation, to be paid by Ottawa.)

On this basis, Ontario Hydro would be billed for about $200 millions and Ottawa would pay $250 millions.

But in recent days, word has got out that Ontario Hydro would only pay 62½% of the cost. Under these circumstances, the Hydro would pay only $160 millions for its power, and Ottawa would pay $290 millions to complete the entire 27 ft. seaway down to Montreal.

This suggestion by Ontario is looked on here as being by no means a final answer—merely a good bargaining move by Ontario leading to ultimate negotiations once the major decision for Canada to "go it alone" is made.

Where U. S. Comes In

Supposing Congress does turn thumbs down in the near future, can Ottawa go ahead with an all-Canadian route without reference to Washington?

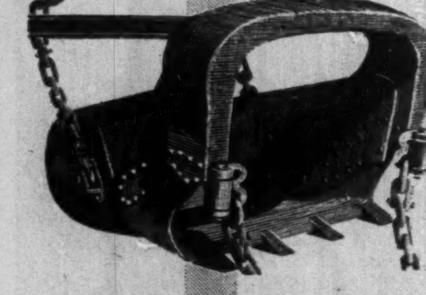
The answer is, of course: No.

Under the 1907 treaty, any works common to both sides must have the "authority" of the U. S. Government and the "approval" of the International Joint Commission.

Based on an earlier precedent, it is apparent that the "authority" of the U. S. Government means the President.

But, so far, the President has withheld his authority for initiation of a separate N. Y.-Ontario power scheme. He has used the argument that he wants both the power and the seaway.

Thus if Canada is determined to go ahead with the seaway, it would be necessary to obtain President Truman's "authority" to submit the project to the I.J.C.



Making Ontario Strong

The construction industry is performing new miracles of progress in Ontario. Plunging across farm lands to build great highways, blasting through solid rock for a new water course, building bridges. . . in this way and dozens of others, Ontario is being made strong.

Wherever there is construction, and it is everywhere, you will hear the name Gordon Dickson Equipment, suppliers of machinery for every job

PROUDLY REPRESENTING

CONTRACTORS MACHINERY COMPANY INCORP. • CANADIAN INGERSOLL-RAND CO. LIMITED • LONDON CONCRETE MACHINERY CO. LIMITED • MARSHALL SONS & COMPANY LIMITED • THOS. SMITH & SONS (RODLEY) LIMITED • JOHN FOWLER & CO. (LEEDS) LIMITED • MONTGOMERIE REID ENGINEERING CO. LIMITED • OTTAWA STEEL PRODUCTS, INC. • TRI-LINE COMPANY

Gordon Dickson EQUIPMENT LIMITED

75 HAVERSON BLVD.—TORONTO
TELEPHONE—RODNEY 2401

Study Reports On New Quebec Titanium Find

MONTREAL (Staff)—Importance of the new titanium find announced last week by Premier Duplessis isn't likely to be known for some time, observers feel. Location of the surface deposit, according to J. L. Blanchard, National Union member for Terrebonne County, is some 50-70 miles north of Montreal in the Ste. Adele, Ste. Agathe and Ivry area.

The deposit, it's reported, is estimated at some six miles long and about 250 ft. wide and claims have been staked on it with the Quebec Department of Mines.

Reports of samples from the find are that one graded 21% titanium and 48% iron, while a second assayed 12% titanium and 23% iron. Average grade of the large ilmenite ore deposits being worked by Quebec Iron & Titanium Corp., it's pointed out, is 35% titanium oxide and 40% iron.

Employee-Ownership Pays Off At Parmenter & Bulloch

Canada's first 100% employee-owned business—Parmenter & Bulloch of Gananoque, Ont.—celebrated the fifth anniversary of the unique enterprise this week.

The firm's 180 employee-owners gathered Monday to see how they'd done. They appeared more than satisfied.

The firm was the largest manufacturer of rivets and rivet-making machinery in Canada. Their plant has been completely renovated.

They have given themselves a 22% raise in pay until they're getting a good deal more than any other local industry and they claim better than in the same industry elsewhere.

They've paid themselves $26 a share on the $100 par share stock they scrounged and hocked to buy five years ago (They raised $365,000 among themselves, borrowed $273,000 to buy the plant) They've paid back $125,000 of their debenture debt, hope to pay the rest in the next five years.

They have a pension plan, a minimum of two weeks holidays with pay, full hospitalization and a profit-sharing scheme which this week paid off to the tune of $12,000 or about two weeks pay per person. With 11% fewer employees than when they started, they are producing 14% more. For Parmenter & Bulloch, employee-ownership appears to have paid off.

Why Slump In Hard-Goods?

(Continued from page 1)

hard goods such as construction materials was up. Also sales were up. Chain hardware store volume climbed 32% in April over April 1950.

Here's the soft goods story:

Chain food store sales rose 18% in April over April 1950 — generally food sales have kept high with increased incomes but tapered off sometimes with fluctuations in food commodity prices.

Generally production of clothing, footwear, etc. has been ahead of sales, although there was strong buying in the first quarter. Soft goods sales, especially clothing, are expected to pick up with the fall as buyers switch from hard to soft goods.

Credit curbs and the over-extension of credit in some low income areas such as certain areas of Montreal and Maritimes have caused 30% to 40% drop in soft goods sales. Generally soft goods retail credit business only 10% to 11%, some concentrated low-income areas reaches as high as 80%.

Capital Change Not Necessary For Craig Bit

Since satisfactory financing arrangements have been made available to Craig Bit Co., North Bay, Ont. on a short term basis there will be no need for an increase in company's present capitalization.

At a shareholders meeting June 5 to approve bylaws authorizing issue of $250,000 5% first mortgage 15-year serial bonds and $350,000 6% 20-year convertible debentures, shareholders turned down the proposal when it was explained that satisfactory bank financing could be arranged.

Early this year directors approved heavier-than-usual purchases of tool steel anticipating steel shortages and this resulted in a doubling of normal inventory position. Bank loans reflected this position.

Due to restrictions by banks on credit for more than one year and for capital expansion, directors had considered it advisable and necessary to arrange for long term financing.

Craig Bit Co. manufactures a wide range of special drill bits for mining and contracting industries as well as a general line of steel products for industrial manufacturers and transportation companies.

Look For It Here

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Enamel & Heating Meeting Called On 4:1 Splitting

MONTREAL (Staff)—A special meeting of shareholders of Enamel & Heating Products Ltd. has been called for June 29 to consider a bylaw authorizing splitting the company's common stock on a four-for-one basis. Present share capitalization consists of 50,000 authorized, 29,500 issued, no par value common shares.

Listed on the Montreal Stock Exchange, the stock this week was trading at about $26 a share, shows a 1951 high of $28 and a low of $25. Present dividend rate is $1.40 per share annually, payable quarterly.

Company operates plants at Sackville, N.B., Amherst, N.S. and Victoria, B.C. manufacturing ranges, stoves, boilers, sinks, basins, and many other products. Net profit in 1950 totaled $167,395 or $5.67 a share, against $171,269 or $5.81 a share in 1949.

Van Roi Mill On Schedule

Installation of mill machinery at Van Roi Consolidated Mines, British Columbia, has started on schedule and a favorable report on progress has been made by General Engineering Co., mill design and construction advisers.

Downward extension of the high grade Hewitt mine ore body has been confirmed by diamond drilling. On June 14 an oblique angle hole intersected the ore shoot 80 ft. vertically below the bottom level. At last report, the hole had penetrated for 30 ft. what appeared to be ore averaging between 15% and 20% lead and zinc with the hole still in ore. True width is expected to be about 15 ft., similar to the width developed above the level.

Ups Ore Tonnage

J. D. Mason, exploration engineer for Transcontinental Resources, says the hole adds substantially to probable ore available from the Hewitt section. This ore body, above the level, averaged 12 to 15 ft. wide, 160 ft. long, with a gross metal content of $60 to $70 per ton in combined silver, lead and zinc.

Mining above the 10th level has been resumed after crossing the flat fault zone. A raise to the 9th level has almost broken through and it is estimated that extraction will average 300 tons per week after the raise is completed, when mining will proceed on a two-shift basis.

Grand'Mere Knit Share Offer Seen

MONTREAL (Staff)—A new preferred share issue of Grand'Mere Knitting Co. is expected to be offered shortly by Belanger Inc. The issue, it's understood, will consist of $200,000 in $25 par, 5% cumulative class A preferred shares. Proceeds will be used for working capital.

Outstanding capitalization of the company, at last report, consisted of $300,000 in 4% first mortgage serial bonds due June 1, 1952-61; $250,000 in $25 par, 5% cumulative class A preferred shares; $10,000 in $5 par 5% non-cumulative class B preferred shares; and $31,000 in $5 par class A common shares.

Grand'Mere Knitting, at its Grand'Mere, Que. plant, manufactures sweaters, mitts, gloves, slippers, hosiery, berets and other knitted goods.

Packaging Supply Still Lagging Behind Demand

(Continued from page 1)

the pressure has eased in the past two months. Mill delivery of paper board is still well behind.

One difficulty that's coming in for increasing attention is wastage in manufacture. Boxes are not a standard commodity; individual orders (on contract) call for individual dies and result in a certain amount of unavoidable wastage. Standardization would cut wastage and prices.

Tin containers: Demand for tin cans has steadily increased since the war, but the can-making industry has so far been able to keep up to it.

The electrolytic process or plating, as opposed to the "hot dip" method, is saving from 1/6 to ¼ of normal amount tin used. The process has been used here commercially for about two years; now almost half Canadian-made tin cans are plated electrolytically. Food containers still use the hot dip method.

A new U. S. process, now in the advanced experimental stages, is receiving wide attention. It entirely eliminates tin for a "tinless tin can."

The trend in both U. S. and Canada is towards reducing (or eliminating) the tin content of the conventional container.

Cellophane, Plastics: Current demand for Cellophane packaging is just about double supply, brought about equally by the expanding economy and new packaging techniques.

Canadian Industries Ltd., only Canadian producer, is allocating supply to customers. A trickle of Cellophane imports is helping out, but Cellophane is in tight supply the world over.

Pulp, the basic raw material is in good supply, but other ingredients (more than 99% Canadian made) are short. Capacity hasn't increased as rapidly as demand.

C-I-L expects alleviation by the end of 1951, with increased capacity.

For polyethylene, the new and now critical defense packaging material, Canada is dependent on U. S. imports. C-I-L expects to have a polyethylene plant in operation in something like one-half to two years. Meanwhile governments are getting "first crack" at available polyethylene. Supply at present is "nowhere near demand."

Improved greaseproof papers, chemical compounds for rust prevention and various chemical packaging coatings are coming in for increased attention to meet defense needs.

Glass Containers: So far the glassware manufacturers have been able to keep abreast of demand; 1950 was the biggest year since the war. Basic raw materials — broken glass, low-iron-content sand (largely imported) and soda ash — are not in short supply, production capacity has been stepped up.

Unprecedented demand during the war was brought about by a swing towards glass containers when tin supply and ingredients for other types of containers was limited. So far the glass container industry hasn't felt a parallel increase in demand, though demand is up proportionately to the over-all picture of expanded economy. It's now about level with peak wartime demand but for different reasons.

Like all other segments of the packaging industry, glass manufacturers are hit by costs. Last selling price increase was in November when glass containers went up 10%.

New Market Outlets: The packaging field is constantly offering new market outlets. Developments in film plastics have made inroads in the paper box trade (currently tantamount to relieving pressure). Kraft paper, though in short supply, is steadily replacing jute bags for shipment of a long list of articles.

The potato industry, formerly a strict adherent to the burlap bag, is shipping in multi-wall paper bags, an innovation brought about largely by a shortage of Pakistan jute.

Corrugated paper is now being used to package bicycles, washing machines, refrigerators, radios, etc., previously shipped in wirebound boxes.

Though the packaging industry is fighting hard to keep pace with demand it isn't yet reduced to the wartime exigencies of slim, plain packaging. The Canadian shopper is still getting an accumulation of cardboard, kraft paper, straw, boxes and other material as left-overs from up tempo shopping forays.

In the future, the industry expects the picture to be clearer and sharper. One big project undertaken by the new Packaging Association of Canada is to compile continuing statistics for the entire industry, heretofore not available from DBS.

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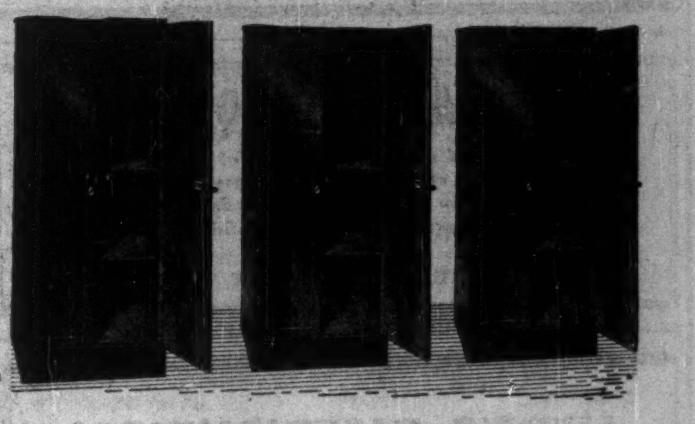

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CITY OF QUEBEC

PUBLIC NOTICE

The City Treasurer will receive up to 10 a.m. daylight saving time Wednesday, June 27, 1951, sealed tenders for the purchase of an issue of bonds amounting to $3,300,000 dated July 1, 1951, redeemable serially within a period of 14 years as per bylaw No. 808 of the City of Quebec.

The successful bidder will have the privilege to act as agent for the City of Quebec in floating a $3,500,000 issue on the American market. This privilege will be valid for a period of 60 days following the date the Canadian issue is awarded.

For further information and tender forms, please communicate with the undersigned.

C. R. FONTAINE, C.A.
City Treasurer.

Dated Quebec, P.Q.
June 19, 1951.

INVESTMENTS THIS WEEK

Paper Stocks' Wide Swings Mark Pressure on Industry

The ten pulp and paper stocks in the Montreal Stock Exchange pulp and paper index reached a record high of 876.46 on May 5, retreated back to 757.35 by May 25 and on June 18 was back at 814.05.

In many ways, the action of the papers paralleled that of the other market groups. For instance, the MSE industrials index reached 231.1 (0.8 below the 1951 high) the same day the papers hit their peak, dropped to 210.7 May 23 and closed at 219.5 June 18. Thus the papers' drop amounted to 13.6% (industrials 8.9%) and the rebound brought them back to 7.1% (5%) below the peak.

Whether this slightly greater downward swing and somewhat less complete recovery might have any significance for the longer term or was merely a reflection of the traditional volatility of the papers, was not immediately apparent. The wider movement, however, did bring to the minds of many investors some of the conflicting pressures now affecting the pulp and paper industry:

(1) Strong demand has meant higher sales at generally increased prices compared with last year. Newsprint, fine papers, pulp, paperboard and other pulp and paper products have all shared in the production rise.

International Paper, for instance, reported first quarter gross sales, less returns, of $151.4 millions against $113.3 millions a year ago. Minnesota & Ontario, which also releases sales figures, showed net sales of $14.3 millions against $11.4 millions.

(2) Wage increases and higher material costs are cutting into earnings to an increasing extent, companies report. In the newsprint industry, this has led to the recently announced price increases of $10 a ton. Pulp prices, already up substantially over a year ago, may not change much in the third quarter, industry sources indicate, but there may be some increases shortly in other sections of the industry, notably fine papers.

(3) First quarter earnings reports show improvement over the 1950 quarter in most instances, despite the higher charges against income. Part of the gain, however, reflects the below-capacity levels at which the industry was operating a year ago. Company officials warn against projecting the first quarter gain over the remainder of 1951. Operations pepped up considerably during the second quarter last year and were really rolling during the last half. Price increases on many products made during the latter part of 1950 and this year should augment earnings to the extent they aren't nullified by higher costs and taxes.

Two instances of lower earnings in the first quarter: St. Lawrence Paper Mills and International Paper. St. Lawrence net fell from $857,335 a year ago to $555,843, the decline blamed on higher cost of pulpwood, labor and other materials without any offsetting rise in the price of newsprint.

International Paper reported a first quarter net of $16.3 millions a year ago, $15.6 millions this year, in spite of the large sales increase cited above. A jump in the income tax provision from $11.2 millions to $27.1 millions wiped out the more than 50% gain in profit before taxes.

The effect of higher income taxes on current earnings is illustrated in a table shown below of results reported by four companies which have issued quarterly statements.

Industry officials indicate that prospects are good that demand will remain at a high level throughout the remainder of the year. Newsprint consumption continues to show an upward trend, even though at a less hectic pace. There has been some evidence that some of the backlog of demand in other sections of the industry has been reduced, but officials stress that the slight weakening is purely relative — they are still on the hop to keep up with orders.

First Quarter Results

	Net prof. before inc. taxes $	Income taxes $	Net after inc. taxes $
Bathurst P. & P.			
1950	799,223	323,180	476,043
1951	1,548,366	820,252	728,114
% Increase	93.7	153.8	53
Great Lakes			
1950	1,050,934	473,000	577,934
1951	1,891,424	1,105,000	786,424
% increase	80	133.6	36.1
Inter. Paper			
1950	27,486,339	11,190,091	16,295,248
1951	42,702,469	27,065,985	15,636,484
% Increase	553	141.9	*3.8
Minn. & Ontario			
1950	1,610,824	645,000	965,824
1951	3,114,267	1,632,200	1,482,067
% Increase	93.3	153.1	53.4

*Decrease.

No Decision By Rail Board On Rates and Audit of CPR

MONTREAL (Staff)—Hearings before the Board of Transport Commissioners to decide whether Canadian railways should be granted a temporary rate boost were held last week.

Judgment was reserved by the Board and fuller hearings are to open Nov. 12 to decide whether a boost of a more permanent nature should be granted. Decision on the interim hike is expected before then.

The Board also reserved judgment on the railways' important application to have an audit of Canadian Pacific Railways made for the purpose of placing a value on the investment in CP's rail properties. Canadian Pacific is the "yardstick road" for setting rates and the railways want the present rate-setting method changed, so that it would provide a "fair and reasonable" return on this investment.

Hearings last week centred around the application for a 14%-15% boost stated to be needed to cover the cost of the 40-hour week put into effect June 1 and the higher cost of materials. Two alternative forms—one for a straight 14% jump and the other for a 15% boost with the size of the increase limited on some primary products—were proposed. It was estimated that the increase would yield the railways some $64 millions annually.

Last January, hearings were conducted on an application for a 5% general rate increase to cover the 7c hourly wage increase granted last fall. This, it was estimated, would yield about $23 millions a year.

Oppose Increase

Opposing the 15% increase at the hearings were all provinces except Ontario and Quebec. In addition, submissions are to be presented later in written form by the Canadian Food Processors' Association, the B. C. Lumber Manufacturers' Association, the Plywood Manufacturers Association of British Columbia, the Consolidated Red Cedar Shingle Association of British Columbia and Dominion Steel & Coal Corp.

Counsel for the railways argued that, if granted now, the full rate increase would fall far short of meeting their additional costs for 1951. The provinces contended that the railways have failed to establish any emergent need for an immediate rate jump.

One big change in over-all freight rates moved a bit closer to reality last week when Transport Minister Chevrier introduced bills in Parliament designed to implement recommendations of the Royal Commission on Transportation regarding equalization of freight rates for all parts of Canada. The legislation, which would give the Board of Transport Commissioners wide powers to bring this into effect, was given first reading. It was indicated that passage may be deferred until the fall session to allow time for study.

Exceptions to Rule

It provides several specific exceptions to the rule of equal charges for rail traffic of the same types in all parts of Canada. These include:

Competitive rates, those lowered by railways to hold business against competition; rates on export and import traffic, set to enable Canadian ports to compete with those in the U. S.;

international rates between Canada and the U. S., which usually follow the pattern set by the Interstate Commerce Commission;

and rates protected by the Maritimes Freight Rate Act of 1927.

The Board is also authorized to make any other exceptions considered advisable.

Other amendments provide:

that the Transport Board is to lay down a uniform and simplified accounting system for the two big systems, designed to give a better comparison of their operations, especially in freight rate increase cases;

That the CNR is to report annually to Parliament on measures taken under the Canadian National-Canadian Pacific Co-operation Act of 1933, which ordered the two companies to effect economies through joint use of some of their duplicating facilities.

HAROLD CRANG

senior partner in the firm of J. H. Crang & Co., has been elected a member of the Montreal Stock Exchange.

Alex. Building Capital Change

MONTREAL (Staff) — At the annual meeting of Alexander Building Corp. July 12, shareholders are to consider proposals for decreasing the company's capital stock and changing provisions regarding purchase of its bonds for redemption.

In recent years, Alexander has redeemed a considerable amount of its bonds. When these were issued following the 1933 reorganization, one share of stock was given with each $100 principal amount and, to April 30, 1951, 5,685 of these shares had been surrendered

A new bylaw, therefore, provides for decreasing the number of no par value shares from 30,000 to 25,000. The amount of share capital is to be cut from $150,000 to $125,000.

In addition, a new resolution provides for cancelling one approved by shareholders back in 1939 which authorized use of the amounts set aside as depreciation for purchase of bonds for redemption at a discount. Instead, directors would be authorized to purchase bonds on the open market "at such price as the directors may consider reasonable..."

During the year ended April 30, 1951, a total of $80,800 principal amount of these 6% cumulative income bonds were purchased for cancellation, leaving $1,319,500 outstanding at the fiscal year-end. Bond interest due and accrued totaled $653,152 at April 30. Total income for the period amounted to $269,674 and net profit $5,725.

Dominion Tar Joins Sulphur Seeking Ranks

MONTREAL (Staff)—There is a new addition to the growing list of Canadian companies engaged in the search for new sources of that scarce commodity, sulphur.

Dominion Tar & Chemical Co. announced last week that it had acquired, through Fortune Oils Ltd., a controlling interest in Sunbeam Sulphur Ltd. of Calgary. The announcement stated that two showings of sulphur have already been located about 100 miles north of Edmonton, and while it's too early to evaluate the extent of the deposits, company says there are indications of sizeable mineral bodies.

A drilling program will get under way immediately to determine whether sulphur of saleable quality exists in commercial quantities.

Among the other companies which have announced plans to produce sulphur to offset the current shortage are Noranda Mines, through treatment of pyrites; C-I-L and International Nickel, liquid sulphur dioxide at Copper Cliff; Shell Oil and Powell River Co., sulphur from a gas-scrubbing plant at Jumping Pound, Alta.

C. M. CARMICHAEL

At the annual meeting held recently, C. M. Carmichael was elected to the Board of Directors of United Steel Corporation Limited.

Mr. Carmichael is Vice-President of Shawinigan Chemicals Limited and a Director of Canadian Bronze Powder Works Limited, International Bronze Powders Ltd., Sutherland Refiner Limited and Canadian Stebbins Engineering and Mfg. Co., Limited.

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Village of Morrisburg, Ont.	4¼	1971	98.00	4.40
City of Fredericton, N.B.	4¼	1968	97.75	4.44
Town of Hearst, Ont.	4	1970	85.62	5.20

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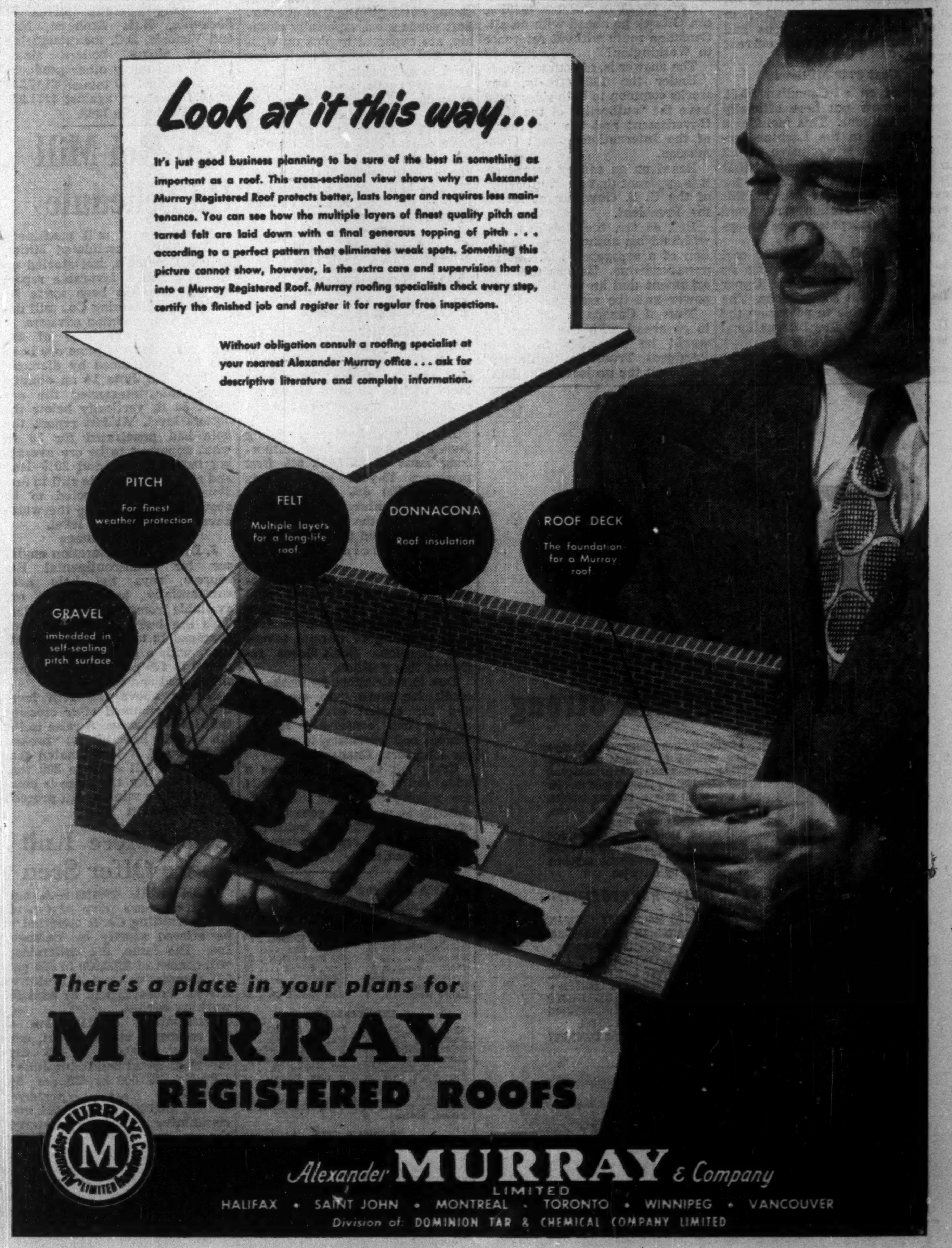

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BOX 72 WALKERVILLE, OR PHONE WINDSOR 4-9225.

MANAGED INVESTMENT

Stock-Bond Switch Made For MacNab Portfolio

MacNab sells his Canadian Canners stock and puts proceeds into a $1,000 Abitibi Power & Paper Co. 4¼% 10-year convertible debenture. The transaction provides additional cash and increases MacNab's holdings of fixed income securities.

The MacNab Account Transactions

Amount	Security	Price
Purchase:		
$1,000	Abitibi Pwr. & Paper. 4¼%/1961	$100
Sales:		
40	Cdn. Canners	29½

MacNab's Manager Says:

The Dow Jones Industrial Averages on June 7 closed at 250.47, which is the median point at which 50% of your account should be invested in fixed income securities and 50% in common stocks.

On May 31, I sold for your account 40 shares Canadian Canners at $29½ and purchased with the proceeds $1,000 par value Abitibi Power & Paper Company 4¼% 10-year convertible debentures at $100, plus accrued interest. A statement of this transaction is enclosed herewith for your information. The net result of this transaction will be to provide the account with additional cash and increase your holdings in fixed income securities by $1,000, with a proportionate reduction in common stocks. A further credit balance will be credited to you to cash account. Your income will be reduced by $37.50 per annum at the present indicated dividend rates from $909 to $871.50, or 8.7% on your original investment of $10,000.

As mentioned in my previous letters to you, the advantage of purchasing convertible debentures in a period of inflation is obvious. The Abitibi debentures are convertible at the option of the holder into 4 shares of common stock for each $100 debenture without premium for the first four years. For the following three years a premium of $2.50 a share will be payable upon conversion. While the conversion privilege is not yet attractive, (it will not be until the common shares reach $25 on the market) I believe these debentures to be a satisfactory investment for your account. Abitibi recently announced a $10 per ton increase in the price of newsprint, presumably to meet increased production costs.

A dividend was declared yesterday, June 7, of $1.50 plus $3.50 extra per share, payable July 16 by the directors of Consolidated Mining & Smelting Company. As you have a very substantial profit in these shares, your cost being $95 vs. current market price of $148.50, I believe it would be to your advantage to hold on to Smelters for a while longer. The company has recently announced a $30 million expansion program involving the increase in their production of chemical fertilizers and a new power plant on the Pend Oreille River. Dividends declared to date in 1951 total $10.50 per share.

The balance of your common stocks represent a well diversified holding in Canadian securities, and I am recommending no further changes for the time being.

As you now know Calvan Consolidated Oil & Gas Company common shares were called for trading on the New York curb market earlier this month and a strong group of New York investment houses are sponsoring these shares to syndicates in the United States. As this represents your only holding in Canadian oil stocks other than the convertible debentures of Anglo-Canadian Oil Company and Central Leduc Oil Company, I would recommend retaining your Calvan shares for capital gain.

Investors Mutual Increases Holdings of Common Stocks

Holdings of Investors Mutual of Canada Ltd. as of June 8, 1951, show considerable buying in common stocks since May 11, 1951, when the previous statement was issued.

Addition of bank stocks to the portfolio were noticeable. Preferred stocks decreased slightly in percentage importance in total market value of stocks held.

Investment distribution of the portfolio at both dates was as follows, in relation to total market values held:

Group:	Percentage held at June 8 1951 %	Percentage held at May 11 1951 %
Bonds	17.92	16.04
Preferred stocks	6.70	7.02
Common stocks	67.20	65.72
Bank stocks	5.90	5.44
Cash & other	2.28	5.78
	100	100

Here are share holdings of different stocks, with increases in holdings since May 11.

	Shares held at June 8 1951	Change Since Apr. 13 1951
Common Stocks:		
Abitibi Power & Paper	8,855	+4,025
Aluminium Ltd.	1,420	......
Bathurst Pr. & Pap. A	1,975	......
Brazilian Tract, L&P	4,300	+300
B-A Oil Co.	5,320	+2,070
B. C. Forest Products	5,250	......
Bldg. Products Ltd.	345	—195
Can. Wire & Cable B	1,144	+394
Can. Breweries Ltd.	5,100	+4,300
Can. Bronze Co.	2,675	......
Can. Celanese Ltd.	2,985	+690
Can. Pacific Railway	4,850	......
Cons. Mining & Smelt.	1,200	+200
Consol. Paper Corp.	2,325	+100
Cosmos Imp. Mills Ltd.	2,945	......
Dist. Corp.-Seag. Ltd.	5,000	+1,800
Dom. Bridge Co.	2,040	......
Dom. Foundries & Stl.	3,385	+1,000
Dom. Steel & Coal B.	1,550	......
Dom. Stores Ltd.	6,325	......
Dom. Tar & Chemical	1,225	+200
Famous Players Cdn.	5,050	+300
Fraser Cos. Ltd.	1,050	......
Gatineau Power Co.	2,275	+175
Goodyear Tire & Rubber	921	+25
Home Oil Co.	3,050	......
Hudson Bay Mng. & S.	1,650	......
Imperial Oil	2,655	......
Indust. Accept. Corp.	100	......
Inter. Metal Ind. A	2,590	+2,252
Inter. Nickel Co.	3,800	+150
Inter. Utilities Corp.	2,000	......
H. R. MacMillan Ex. Co.	2,375	+1,000
Massey-Harris Co.	4,350	+1,400
McColl-Frontenac Oil	3,800	......
Moore Corp.	3,855	+2,000
National Steel Car	3,550	......
Noranda Mines	1,875	......
Page-Hersey Tubes	1,555	+200
Powell River Co.	2,650	+775
Price Bros. & Co.	2,450	......
Royalite Oil Co.	1,700	......
Russell Ind. Ltd.	4,715	+430
Shaw. Water & Power	3,875	+600
Shea's Wpg. Brew. B	1,330	......
Simpson's B	3,055	......
H. Smith Paper Mills	1,100	......
Standard Chemical	7,250	......
Steel Co. of Can.	3,850	......
G. Tamblyn Ltd.	960	+50
Taylor, Pearson & Car.	1,000	......
Union Gas Co.	2,525	......
H. Walker-Good. & W.	1,880	......
Western Grocers	335	+10
George Weston Ltd.	2,244	+550.67
Zeller's Ltd.	1,625	......
Bank Stocks:		
Bank of Montreal	1,175	......
Bank of Nova Scotia	710	......
Bank of Toronto	1,325	+200
Can. Bank of Commerce	3,115	+150
Dominion Bank	4,615	+1,030
Imperial Bank of Can.	3,885	+1,190
Royal Bank of Canada	770	......
Preferred Stocks:		
J. Bertram & Sons A	......	—375
B-A Oil Co. 3¾%	500	......
B. C. Electric 4%	345	......
Do. 4¾%	250	......
B. C. Power Corp. A	3,315	+50
Bruck Mills Ltd. A	1,850	......
Dom. Fdries & Stl. 4½%	100	......
Gatineau Power Co. 5%	135	......
Do. 5½%	330	......
Great Lakes Pap. Co. A	500	......
Great West Coal Co. A	4,300	......
Hamilton Cotton Co. 5%	150	......
Ind. Accept. Corp. 4¼%	100	......
Do. 5%	200	......
H. R. MacMillan Exp.	750	......
H. Morgan & Sons 5%	325	......
Southern Can. Pwr.	351	+24
Steel Co. of Can. 7%	600	......
Traders Fin. Corp. 4½%	170	......
G. Weston Ltd. 4½%	135	......
Zeller's Ltd. 5%	300	......
Do. 6%	205	......
Bonds:		
Dom. of Can. 1½% 1952	......	—50,000
Do. 1¾%	250,000	+150,000
Do. 2¼% 1956	175,000	......
Do. 3% 1957	400,000	......
Cdn. Nat. Rly. 3% 1959	25,000	......
Prov. of Ont. 3% 1951	175,000	+50,000
Abitibi P. & P. 4¼% '51	75,000	+75,000
Alaska Pine & Cellulose Ltd. 4½% 1966	25,000	......
Brazilian Trac., L. & P. 4¾% 1970	50,000	......
B. C. Elec. Co. 3¾% '68	40,000	......
B. C. For. Prod. 4½% '66	30,000	......
Cdn. Western Nat. Gas 3½% 1971	20,000	......
Columbia Cellulose 4½% 1965	15,000	......
Indust. Accept. 4% 1969	25,000	......
Do. 4% 1970	25,000	......
H. R. MacMillan Export 4% 1969	15,000	......
McColl-Frontenac Oil 3¼% 1962/66	5,000	......
H. Smith Pap. M. 4½% 1961	25,000	+25,000
Traders Fin. 4% 1966	29,000	......

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C. E. McTAVISH

has been appointed president and general manager, Perfect Circle Co., Toronto.

Cotton Mills Keep Record Output Level

MONTREAL (Staff) — Canada's cotton producers have been operating at record levels so far this year, and industry sources indicate that business may remain at the same level into the third quarter.

May operations were the highest on record, the Cotton Institute of Canada reports. Bale openings totaled 44,498 (500 lb. gross weight) compared with 44,518 in April and 39,576 in May, 1950. Five months' total of 215,762 bales was 13% ahead of the corresponding 1950 period.

While cotton manufacturers were busy turning out the goods, they were looking over their shoulders also at the increasing quantities of cotton fabrics entering Canada from the United Kingdom. British exports to Canada in April were 2.2 million square yards compared with 1.3 million in March and 1.6 million in April, 1950. DBS import figures for the first quarter indicated that imports from all countries were 64% over 1950.

Although imports were still below 1949 levels, the Cotton Institute indicated it wasn't too happy about the trend. "Such an increase in British cotton fabric shipments has been expected for some time as a result of the continued pressure on British producers to export. If the upward trend of these and other imports continues, there will be cause for concern for the level of domestic output. A fair proportion is government business which is essentially temporary."

Similar worries were voiced by the Canadian Woollen and Knit Goods Manufacturers Association this week. Pointing to a jump in British wool fabric exports to Canada in April (up more than 500,000 square yards over March or a year ago April, to two million), the association said that domestic mills "have been anticipating such an increase since it was noted that British mills imported large quantities of woolen and worsted cloths from Europe last year, taking advantage of cheap European labor costs." Domestic mills, it was stated, are "far from active, despite defense contracts."

Insurance on Unpaid Balance Part of New Mutual Fund Plan

MONTREAL (Staff) — A new wrinkle in Canada's mutual fund investment field is being launched by Investment Distributors Ltd. Called "Shielded Investment Plan," the scheme is designed to encourage people to make regular purchases of shares of Commonwealth International Corp. or Leverage Fund of Canada Ltd. (two of the three funds sponsored by Investment Distributors) over a three-year period.

Many of the features differ little from plans offered by Mutual funds in the U. S. and Canada. The idea is for a purchaser to make a down payment and subsequent monthly payments of a specified amount, all of which are applied towards purchase of shares in the fund.

Where the new idea comes in, however, is that if the purchaser dies before completing his plan (all are drawn on a three-year basis), the balance of payments needed to complete it will be paid by Investment Distributors Ltd., the proceeds applied towards purchase of shares and the total amount of shares turned over to his estate. The investor pays the same amount that he would under an ordinary plan.

For example, if a man picks the $2,000 plan, he'll make a down payment of $200 to the Royal Trust Co. Each month thereafter, he'll receive payment reminders and will pay $50 monthly for 36 months. Quarterly, the trust company will apply the amount in his account towards purchase of as many shares of, say, Commonwealth, as the total will buy at the offering price. Dividends will be reinvested unless otherwise requested and, at the end of the three-year period, he'll receive the shares bought plus any small balance left in the account. If he dies, the balance needed to complete his $2,000 plan will be paid by Investment Distributors to Royal Trust and the shares turned over to his estate.

Prospective subscribers fill out a group life insurance questionnaire and a group policy is taken out by Investment Distributors. No medical examination is needed but maximum age is 50 years and six months.

Four plans are offered: $4,000, with $400 down and $100 monthly; $3,000 with $300 down and $75 monthly; $2000, with $200 down and $50 monthly; and $1,000, with $100 down and $25 monthly. They'll be available through all approved investment dealers and stock brokers and payments will be made directly to the trust company.

The purchaser can choose either Commonwealth or Leverage for his plan, each fund being handled by a different trust company. As with other plans, subscribers can withdraw at any time, forfeiting, of course, the benefits of the "full payment" clause. Shares can also be redeemed at any time at the then net asset value per share.

It is anticipated that a plan for Balanced Mutual Fund of Canada, the third fund sponsored by Investment Distributors, will be developed in the fall.

CALVAN CONSOLIDATED OIL & GAS informs Toronto Stock Exchange that one million shares have been underwritten at $6.03 a share, Canadian funds, less an underwriting commission of 60c a share, U.S. funds, and an option has been granted to certain of the underwriters for five years on 150,000 shares at $7.03 a share, Canadian funds. An option has also been granted to an officer of the company on 45,000 shares at prices ranging from $3.50 to $5 a share. Upon issue of underwritten shares, issued capital will be 4,239,042 shares, leaving 760,958 shares in treasury.

Newsprint Production Up 6.2% in First Five Months

MONTREAL (Staff)—Canada's newsprint manufacturers are continuing to boost their output to meet current heavy demand, latest figures released by the Newsprint Association of Canada indicate.

May production of 485,723 tons was 5.6% ahead of the same 1950 month and the five months' total of 2,284,353 tons was up 6.2%. All markets have shared in the higher shipments which have been made, 2.8% more going to the U. S., 3% more to the domestic market and 11.4% more to other countries. U. S. consumption is up one-half of 1% and U. S. consumers' stocks totalled 38 days' supply against 32 days a year ago.

Some of the tonnage this month is expected to be diverted to France in accordance with the recommendation of the International Materials Conference Pulp and Paper Committee that Canada provide 2,500 tons for emergency needs in connection with the French general election just ended. The French have been operating with stocks representing only about a week's supply, but are understood to have released extra tonnage when it became known Canada and the U.S. between them, would ship 3,000 tons to replenish their supplies.

No other allocations have been recommended as yet by the committee. It's understood that it has under consideration requests for emergency shipments totalling about 8,000 tons to several other countries such as India, Pakistan, Malaya, Philippines, Greece and Yugoslavia. As a further part of its study of the world newsprint supply, the committee has asked for estimates of over-all requirements from all needy countries, but it's expected that some time may elapse before all returns are in and the facts sifted.

The United Kingdom and the Central American - Caribbean countries have benefited most so far from the additional tonnage which has been shipped outside U. S. and Canadian markets. Of the 57,000-ton increase in the first five months, 22,500 has gone to the British Isles and 24,000 to such countries as Cuba, Venezuela and Colombia in the Central American area. Exports to Africa are up 7,500 tons, India and the Middle East 5,000, but tonnage to Australia and New Zealand was off 6,000. Australia has been negotiating lately to try to pry loose some additional paper from Canadian mills to offset its reduced domestic production and cuts in its European supplies.

To augment present output from existing equipment, Bowaters (Newfoundland) Pulp and Paper mills last week signed an agreement with four major mill unions providing for wage increases and a shorter work week in return for inauguration of Sunday shifts. Employees, under the agreement, undertook to boost newsprint output by 15,000 tons and sulphite by 2,400 tons during the next 12 months.

International unions connected with 12 Ontario mills recently agreed to put the question of Sunday operations (one 8-hour shift) before their locals. If all locals at all 12 mills okay the plan, it could mean an extra 50,000 tons before end of April, 1952.

Pulp Price Seen Steady

MONTREAL (Staff) — After pretty regular price increases in each quarter since the early part of 1950, it looks as though pulp prices may remain fairly steady for the third quarter, trade sources indicate.

Production of paper and paperboard in the U. S., Canada's largest market pulp customer, is still running ahead of record 1950 and demand remains high. However, the U. S. Government has been exerting pressure to keep prices on an even keel and there seems little likelihood that there will be any significant change for the coming quarter.

U. S. efforts to keep the price lid on pulp irked Swedish producers so much that they pulled out of the U. S. market altogether this week, decided not to sell there at all during the third quarter. American authorities insisted on putting a maximum of $225 a ton on pulp Sweden wanted $250 and went elsewhere.

Swedish exports to the United States have been down this year anyway. First quarter U. S. imports from Sweden included 29,000 tons of unbleached sulphite compared with 61,000 for the same 1950 quarter; 12,000 (18,000) tons of bleached sulphite; 27,000 (58,000) of unbleached kraft; 17,000 (24,000) of bleached Kraft and 3,000 (7,000) of groundwood.

On the other hand, U. S. imports for Canada were well ahead for the same period: unbleached sulphite, 106,000 (68,000); bleached sulphite, 125,000 (119,000); unbleached Kraft, 48,000 (29,000); bleached Kraft, 103,000 (89,000); groundwood, 73,000 (54,000). Canadian pulp has been selling at prices consistently below Scandinavian quotations.

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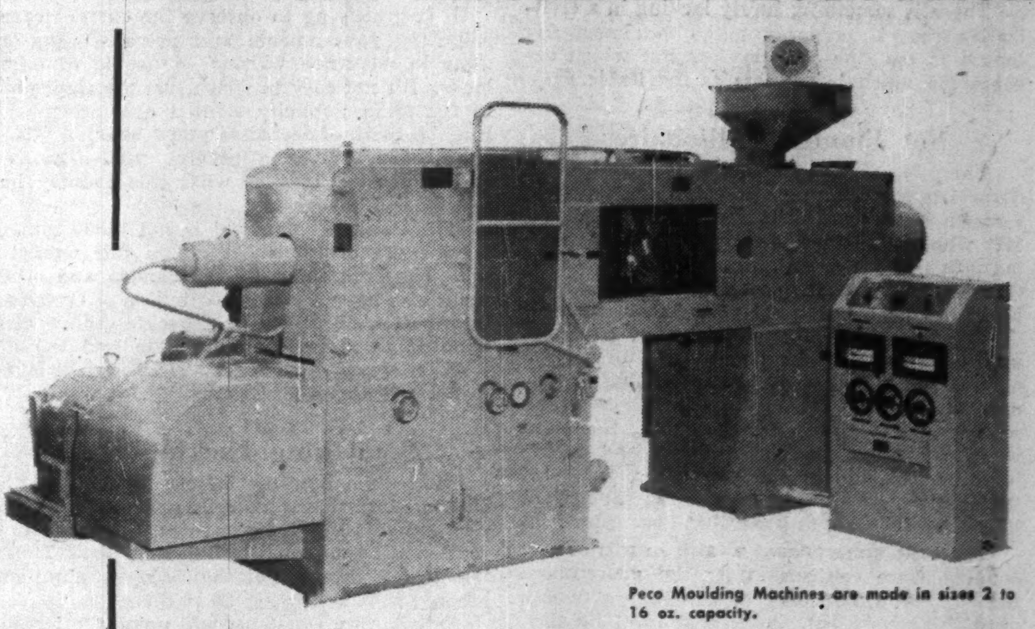

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The Editorial Page

This Could Pay Dividends

Adjustment of the Canadian securities market to take better care of the thousands of "grass roots" investors is long overdue.

At present, the small stock buyer is the forgotten man of finance. He's discouraged in two ways — by the "board lot" system which makes him think in terms of 50 or 100-share packages, and by the high proportion of brokerage and service charges to the cost of one or two shares.

For more than a year now the New York and Chicago exchanges have been campaigning to attract more small investors into the market. In the United States, the "odd lot" dealers — ready to buy and sell any number of shares from one up — have been an important factor in aiding this objective.

It's good sense to broaden the securities market. A greater number of individuals holding stock could mean greater stability for the market as a whole. Of equal or more importance it would create a better understanding of the stock market and its vital role in our economy, among the general public.

But while mechanical problems of the small investor have been the chief drawback in Canada so far, some of the blame must rest on the exchanges, brokers and issuing companies themselves, for failing to make clear to the small investor the facilities for unit purchases which do exist.

One good way to meet this problem would be to encourage odd lot dealers. Their operation in small lots enable them to give quicker and more efficient service to the smaller buyers.

Like the American odd-lot dealers, they can buy up single shares to make up board-lots, and break down board-lots purchased on their own account for resale in small units.

It's to be hoped that the Toronto and Montreal exchanges and some of the more progressive financial houses will give careful study to this problem. It could pay good dividends.

When They Think It's Free

Since British Columbia started its hospital insurance plan two years ago well over 500,000 patients have been "treated." This is approximately half the population of that province.

Unless British Columbia is one of the world's unhealthiest areas there can only be one conclusion. A lot of people who would never have thought of going to the hospital before the provincial government started its subsidized service, are going there now.

The results have been heavy losses to the provincial government, hospitals so congested that even the seriously sick have difficulty in getting a bed, and an enormously inflated demand for new hospital buildings at a time when construction costs are hitting new peaks.

In this costly experience with its hospital plan, British Columbia is learning some old, hard truths about human nature. Make something appear free, and watch the crowds gather.

The Attlee Government in Britain found that out with false teeth, spectacles and a whole lot of other goods and services it provided "free" or below actual cost.

When people think that someone else is doing the paying it is easy to want to have something they would never have thought of providing for themselves. That is why so many social and other public services almost invariably end up costing two or three times the original estimate.

Twelve to One

Speaking before the recent annual safety conference in the United States, President Truman reported that traffic casualties on U. S. highways outnumbered military casualties in Korea by more than twelve to one in the last year. Total U. S. casualties — killed, died of wounds, sickness or injuries, missing and wounded — since the start of the Korean fighting he placed at less than 80,000. Traffic toll during the corresponding period was well over a million.

Through our own carelessness we are killing and maiming 12 times as many of our own people on this continent as an active enemy is able to do with shells, bombs, and bullets in Asia.

There is something surely lacking in a civilization that is prepared to go to almost any length to end the military loss but which accepts the much larger loss as inevitable.

Not Enough Millionaires

There just aren't enough millionaires in Canada to pay the taxes the government needs, Finance Minister Abbott reminded a Socialist MP who complained about the new defense taxes in the House of Commons the other day. One would have thought that even CCF'ers knew that by now.

The late socialist government of Australia learned that lesson. In that country they had a quaint idea that the rich would be able to furnish all the taxes necessary for their grand schemes. But there weren't enough of them and when they ran out of millionaires and everybody had to chip in and pay taxes, out went the socialist government. And in Great Britain they are beginning to learn that lesson, too.

If all the accumulated wealth in this or any country were confiscated by the government tomorrow it would only be a matter of weeks until this was spent. After that brief holiday, the tax collectors would have to get busy again.

An Excellent Job

"Public Affairs" published quarterly by the Institute of Public Affairs, Dalhousie University, is to be congratulated on its defence edition. Its editors have collated an excellent roundup of significant articles on national preparedness by writers of indisputable authority. Not only does the symposium cover the chief economic, political and military factors in preparedness—it's concise and readable.

It covers just about every aspect of preparedness—military policy, international co-operation, global strategy, labor, education, research, agriculture, industry, politics.

The printed word can be a dangerous thing these days. There are literally billions of words set up in type annually. The intelligent citizen's chief problem is to discover significance in this vast sea of verbiage. Worthwhile interpretations like those presented by Public Affairs will certainly help him.

Reporter Without Prejudice

Diogenes, the ancient Greek philosopher, spent a lifetime in search of an honest man. It's certain that he would have been highly pleased with Link Kilby, a rural Missouri postman whose down-to-earth report on Great Britain is featured in an American magazine. It's first-hand factual information like his that will do more to improve US-UK relations than a score of polished speeches before select audiences.

Kilby is a plain American citizen talking to other American citizens. He has taken great pains to avoid the pitfalls of stock U. S. Middle West prejudice in his story. Sent overseas as an emissary of a local business and professional men's club, he ranged the U. K. from village pub to Westminster lobby.

His tenacious fairness in pointing up some of the things he liked about the Labor regime adds great credence to his criticism of socialism's many follies. For instance he found British farming methods more efficient than those of his native state, but deplored the mass of regulations and red tape that hog-tied the British farmer. "The disappointing thing about Britain is that when you get to enjoying yourself, you usually run into some depressing regulation."

He reports that Labor's economic planners seem to have "kept down a lot of this inflation that we have back home," but feels that protection against inflation is a high price to pay for a declining standard of living.

He bears no emotional rancour against Labor. In fact, he says, "from all I could learn, England had let herself drift into a pitiful economic and social condition that took something violent like socialism to flush out. Now that this has been done, I agree with those in England who think the reins ought to be handed over again to free enterprise."

Kilby's article would make an excellent guidebook for political and economic critics everywhere. Its lessons are—get all the facts, know the attitudes of the people involved, give credit where it's justifiably due and guard against emotion and fanaticism. That's the difference between information and propaganda.

Too bad Kilby likes being a postman. He'd make an excellent reporter.

Should Set An Example

Toronto and other municipalities are warning citizens that they must cut all weeds on any property they own before a certain date. No person with any pride in his community will quarrel with that ultimatum, but he will certainly wish that the authorities would practice on civic property what they preach to others.

There are some notable exceptions, of course, but as a general rule in most of Canada, the weeds are higher and the tin cans more numerous on municipal property than on the privately owned. Toronto is particularly guilty. Even some of its main thoroughfares are cluttered with rubbish and weeds.

Householders would be a lot keener on spudding the weeds out of their lawns if they could get reasonable protection against a fresh crop spreading from nearby city property.

Good Selling Job

It is gratifying to observe the current campaign by governments and private organizations to advertise Canada to people of other lands. It's not easy to strike just the right note in Canadian publicity slanted at "foreigners." But the Bank of Montreal's new booklet, "Canada Today," gives a concise, well-organized and illustrated idea of what this country has to offer in 100 pages.

The Bank of Montreal is not alone among private organizations helping in this publicity job. The Aluminum Co. of Canada and other firms also have a large distribution of Canadian information abroad. Their booklets have contributed to stimulation of trade and the attraction of worthwhile settlers. They are doing a good selling job for Canada.

Something Lacking Here

More than half the college students of the United States haven't the haziest notion of the size and shape of their country, according to a survey just completed by the New York Times. Some guessed the population as low as a million; others put it as high as 20 billions.

Only a tiny fraction could name the leading cities and give their approximate size. Only 5% could list the states bordering the Atlantic. Some believed that Canada had made application for statehood.

These were college students, not kindergarteners, that were being tested, and they represented a typical cross-section of the United States.

We would like to believe that a similar test in Canada would reveal a vastly superior situation. But there is no guarantee that it would. In fact there is quite a lot of evidence that our college students, too, have quite a lot to learn about their country's geography and history.

Both these subjects play a major part in the development of a sound national sentiment. Our young people can hardly be expected to become real Canadians unless they are generally familiar with the geography and history of the country in which they live. Surely there's something lacking in the teaching of today if this foundation is neglected.

Short on Farmers

An official of the Veterans' Land Act recently pointed out that the average age of the Ontario farmer owning and operating his own farm is now 60. No figures were given for the other provinces but they would probably be about the same.

This information reveals a startling change in the last quarter century. It means that there was a substantial and permanent migration of farm people to the industrial centres during the last war. It also means that if our basic industry is to thrive we will need a very large number of new farmers in the next 10 or 15 years.

We cannot expect that men past 60 will be able to continue active farm operations much longer. True, mechanization eliminated a lot of the hard physical labor of farming, hence helps older men continue working. But riding a tractor in rough weather or "choring" around a barn at 6 a.m. on a cold winter morning, are not jobs for greybeards. Far more younger people are needed by Canadian agriculture.

Napier Moore's

Scratch Pad

WE SLOWED UP the investment business the other day.

We paid a visit to the Toronto offices of McLeod, Young, Weir and Co. It was a matter of oils that took us there. Not Alberta oils, but oil paintings. On the spur of the moment we went to see what we have been hearing about for some time—a collection of extremely good pictures which adorn the walls of the numerous rooms.

Several other artists are represented, but most of the paintings are the work of the head of the firm himself, D. I. McLeod. Mr. McLeod calls himself a "week-end and holiday painter." Actually he has seriously practiced his hobby for many years and he wields a brush with professional skill. Moreover he is a man after our own heart, having a passion for the sea and for ships.

We ran into Mr. McLeod, who temporarily abandoned the investment business to take us on a personally conducted tour of the gallery, and we had a grand time browsing in snug little coves, gazing knowingly at lithe fishing schooners and peering through the soft mist at tall spars and drying sails. Outside the rain was coming down in buckets.

We had a queer feeling that we shared some other kinship too. And we discovered what it was. D. I. McLeod was once a newspaperman. That was between 1908 and 1911. He worked on the old Toronto World and the Ottawa Free Press; had a spell in the press gallery. So we went out to lunch and talked for an hour about colorful characters who were then in their prime and with whom we had contact a few years later.

* * *

QUESTIONS AND ANSWERS during the Commons debate on the Post Office Act:

RODNEY ADAMSON: I understand that the term "royal mail" now has no significance in Canada.

MR. RINFRET: The hon. member will notice that the name of the act is "An act respecting the Canada Post Office."

MR. ADAMSON: Yes. But this term "royal mail" is now an obsolete term in Canada. That is the point I am getting at.

MR. RINFRET: Yes.

MR. ADAMSON: I regret that.

We regret it too. Meaningless as the term might have become, it did have a majestic lilt and a feel of the romantic.

We hope that in its zeal to attain a purely Canadian nomenclature the Government won't ask the Royal Bank to change its name or order authors to refrain from accepting royalties.

* * *

FOR REASONS we cannot fathom a journalistic colleague of ours has been conducting profound research in the matter of techniques employed in kissing a lady's hand. Of great scientific interest is his case history of Senora Eva Duarte Peron of Argentina. This study involved an analysis of scores of news photographs taken over a twelve month period, during which the Senora's hand was delicately bussed by Bolivians, Brazilians, Frenchmen, Italians and two Germans, to say nothing of scads of Argentinians.

The analysis reveals two divergent methods, heterogeneously distributed according to nationality. One technique is that of the gentlemen's eye being fixed on the elbow of the recipient of the salute. The other is the eyes closed technique. The pattern was spoiled a little here and there by kissers who had their backs to the camera, but allowing for this small margin of error, 68% used the elbow look. We asked what was the significance of this. The researcher said that would be the next phase of his investigation but he hadn't got to it yet.

* * *

A COUPLE OF STANDARD OIL CO. (New Jersey) geologists in East Africa have found a new way to locate oil. They say the key to the African oil puzzle is — elephants. Intensive elephant study, they point out, shows that the huge beasts tend to congregate in topographic depressions, or geologic "syncline" formations. It's because of gravity acting on their great weight. Now synclines are oil-bearing formations. So all the smart oilman has to do is to find a convention of elephants, set up his rig and drill. He'd have to clear out the elephants first, of course.

It is all described with pictures and scatter maps of unidentified elephants in Standard's monthly magazine.

We are not a geologist but we can think of one very good reason for encouraging the elephant system. It would give the elephants a sense of belonging in an industrial age that has passed them by.

* * *

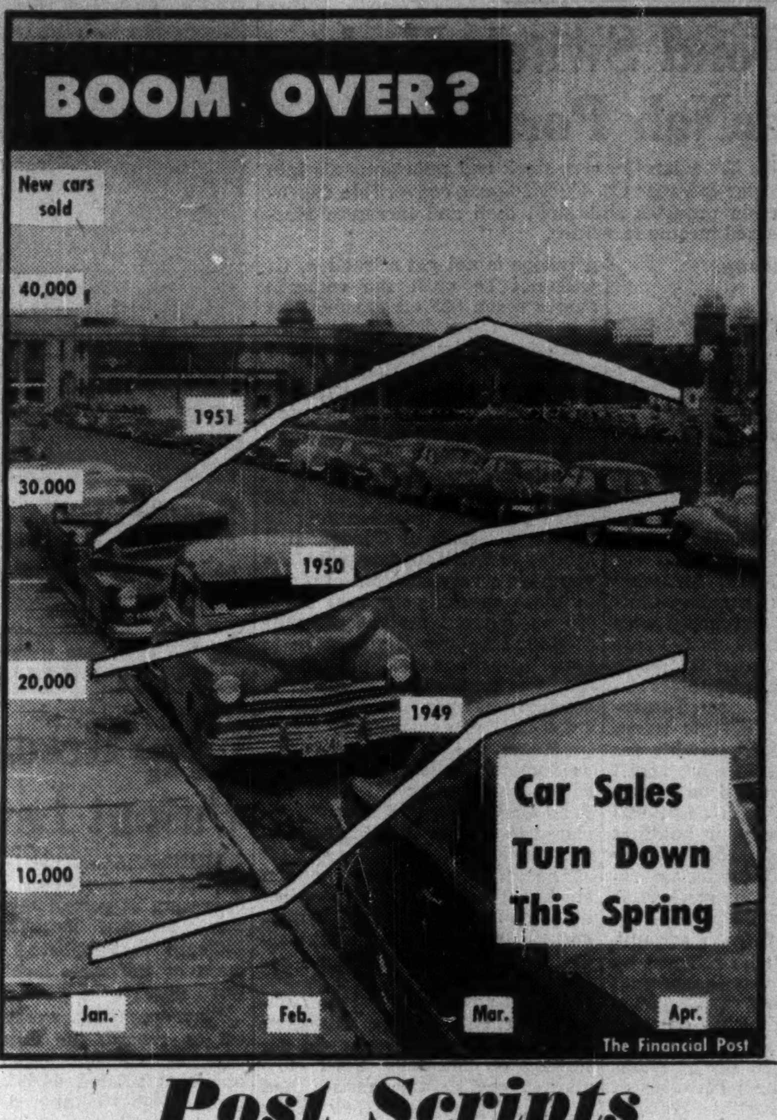
IN ALBERTA, where there also is oil, elephants get little, if any attention. But the grasshopper! According to a government publication, 9,500,000 acres of land in the south-eastern part of the province will be infested this summer and an extensive control program is under way.

Stop Me If—

A missionary, captured by cannibals, was just going to be put into the cooking-pot when he was offered one last chance by the chief of the tribe.

"If you can show me something I've never seen before, I'll set you free."

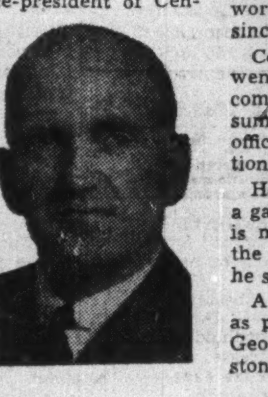
The missionary took from his pocket a cigarette-lighter and flicked the wheel, and a flame appeared from the wick. The chief was astounded and exclaimed: "You can go free. That's the first one of those things I've ever seen that lights the first time."



Post Scripts

Housing Boss

You don't hear much about him, but one of the important cogs in Canada's housing machinery is P. S. (Stu) Secord, vice-president of Central Mortgage and Housing Corporation. He succeeded to the vice-presidency at the end of last year when Major-General Young left the corporation to take up duties as deputy minister of the Department of Resources and Development.



MR. SECORD

Secord is a handsome, strapping six-footer whose appearance belies the fact that there isn't anything about the construction business that he hasn't tackled. He grew up with the construction industry in Brantford, Ont., where his father operated a widely known construction firm, the P. H. Secord Construction Co. Two sons stayed with the business and for a number of years following service in the first world war, Stuart Secord was the company branch manager in Toronto.

When the Secord organization disbanded in 1927, Secord joined the Cox Construction company as assistant manager; later became manager of the Russell Construction company's building division in Toronto.

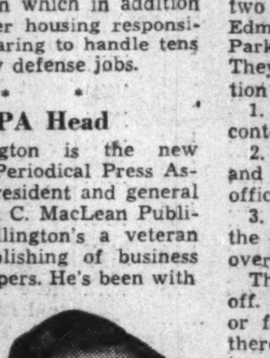
In the second world war, Secord enlisted again and was appointed assistant chief works officer at No. 1 RCAF Training Command, Toronto. In 1942 he was Chief Works Officer, Western Air Command, Vancouver with the rank of Group Captain.

In 1946, Secord joined CMHC as Ontario regional supervisor. In 1949 he moved to head office, Ottawa, as general supervisor of the corporation's construction division. Now he and Dave Mansur boss Canada's biggest construction venture — the Crown corporation which in addition to NHA and other housing responsibilities is now gearing to handle tens of millions of new defense jobs.

* * *

New PPA Head

George Collington is the new president of the Periodical Press Association. Vice-president and general manager of Hugh C. MacLean Publications, Ltd., Collington's a veteran hand at the publishing of business magazines and papers. He's been with the firm 32 years, and last year was president of the Business Newspapers Association.



MR. COLLINGTON

The Periodical Press Association is the clearing house for the magazines, financial business, farm and technical newspapers published in Canada. It represents more than 125 national publications with readership covering the total population of Canada.

The new PPA chief has some definite ideas on the role of journalism in business and industry. "The business press has always been considered a vital participant in the country's economic development," Collington says. "It has contributed a measure of stability to business decision-making by keeping businessmen informed."

George Collington was born in Burton-on-Trent, Staffordshire, England, graduated from the Grammar School there and at 18 hit out for Canada after gaining a professional credit in accountancy. He landed a job at the Waterous Engine Works, Brantford, rose to be head time-keeper and finally employment manager. He stayed with Waterous 10 years, studied accounting in his spare time.

Coming back east from a holiday trip to Vancouver in 1920, Collington stopped off in Sudbury, saw an ad in the local paper for an accountant at Hugh C. MacLean Ltd. He didn't go back to Brantford and the engine works, has been in publishing ever since.

Collington started as accountant, went up to secretary-treasurer and comptroller in 1939. In 1949 he assumed his present duties as executive officer of the firm, directs the production of 10 business publications.

He's a golfer (Toronto Hunt) and a gardener, but his favorite recreation is motoring. He has toured most of the roads of North America. Driving, he says, is fun.

A son, Raymond, is with the firm as production manager, and another, George, is tax expert with the Firestone Tire and Rubber Co.

* * *

Architectural Broom

When the cobwebs of stodgy traditionalism in Canadian building design have been swept away, John B. Parkin Associates will get much of the credit.

MR. PARKIN

Only recently the talented Toronto firm won a competition held by the Ontario Association of Architects for the design of its new headquarters building. Back in December it picked off five of nine medals offered by the Massey Foundation for excellence in architectural performance. The gold medal went to the Oshawa Central Collegiate, as Canada's most notable postwar structure, and silver medals to Parkin-designed buildings in the hospital, church, factory and municipal categories.

Sparkplugs of the organization are two brothers, John B. Parkin and Edmund T. Parkin, plus another Parkin, not related, John C. Parkin. They head an architectural aggregation unique on three counts:

1. It insists on doing exclusively contemporary design.

2. It integrates full architectural and engineering services in a single office.

3. It emphasizes youth, not one of the partners or staff members being over 40 years old.

The policy appears to have paid off. In 1945 there were only three or four names on the payroll. Now there are 40, and the firm occupies its own strikingly modern building.

John B. Parkin, the founder, was an honor graduate of the School of Architecture, University of Toronto, and traveled widely in Europe before returning to Canada to establish his own office in 1937. Son of John Parkin, a former general sales manager of the Otis Elevator Company, he was soon joined by his younger brother, Edmund, a qualified landscape architect and graduate of the Ontario Agricultural College. Later, John C. Parkin, a prize winning graduate of the School of Architecture, University of Manitoba, and the Harvard Graduate School was admitted to partnership.

The firm is being retained in a consultant capacity on Toronto's rapid transit system, but is best known for its school designs. These had their origin in the famous Sunnylea School in Etobicoke, whose first unit was erected in 1942. From this building stemmed inspiration for the vast majority of schools constructed in Ontario since that time. It may be that the firm's design for the new Humber Memorial Hospital in Weston will have the same influence in the hospital field.

Tribute for their success must go to the Parkins' genius for promotion, design and construction. Architecturally speaking, it has been said they have everything Frank Lloyd Wright has, except grey hair. Time will fix that!

What Others Are Saying

Editorial of the Week

Normal Is Now

Ottawa Journal

People who say they will be glad when things "get back to normal" do not necessarily attach the same meaning, or the same period, to that expression.

Older persons, when they long for the good old days, probably are thinking of the early nineteen-hundreds, before World War I — the Victorian and Edwardian times which seem in retrospect to have been serene, stable and secure.

A younger generation recalls as its golden age the period between the wars, before Hitler and Mussolini began to disturb the delusion that defeat of the Kaiser's Germany meant permanent peace.

But time never turns backward. Change is the law of all living things and the conditions they set up, and the past never can be restored except as a museum piece. Each generation, impressed with its own problems, looks to the past as a glorious era because it was free of those difficulties, says "normal" means the time of Victoria or Queen Elizabeth and how wonderful it would be if we could enjoy again the feeling that those happy days are here again. But it doesn't happen and it can't happen.

"Normal" is the state of things to which at the moment we are accustomed, and so normal today means tension among the nations, the fear of another world war. That is the normal we know, and we have to live with it until the future turns up something better—we cannot find that better spot by turning the calendar back.

Other People's Views

A CITIZEN over 100 years old walked to the polls and voted in the recent P. E. I. election. Comments the **Halifax Chronicle-Herald**: "Many people, because of frailty or family responsibilities, would be unable to cast a vote unless they could drive to the voting booths. But it is surprising how many in these times seem to think they are doing a candidate, or a party, a favor by casting a ballot. And, with that viewpoint, expect to have transportation facilities arranged for them."

COMMENTING on the passing of the **Alameda Dispatch** of Saskatchewan the **Estevan Mercury** sadly reports: "At one time there were thirteen newspaper offices between North Portal and Moose Jaw. Now there are three. As business began to centralize, mainly because of the automobile, country towns began to suffer and decline. With that decline the printing office was one of the first institutions to disappear. What is still in store for remaining country newspapers is readily visible. Costs are climbing unduly."

BETTER HIGHWAYS will not prevent all accidents, observes the **Ingersoll (Ont.) Tribune** commenting on the elimination of a local death-trap. "Actually, there is not much excuse for the majority of accidents anywhere. If drivers would use the brain given most of them, there would be few accidents. But all of us are given to lapses, so government money—our money—is spent to make things just as foolproof as possible. Death Knoll was tricky. But plenty of signs gave warning. Unfortunately in some instances the signs were ignored and people died. Now, with the dip filled, life will be as safe as the highways officials can make it. Now it's up to us—the drivers."

MEN ARE SMARTENING UP even though slowly in the matter of suitable hot weather wear, thinks the **Windsor Star**. "For years they have sweltered in heavy clothing, offering maledictions against the heat, but without doing anything to keep themselves cool. They wore suits of heavy materials, collars buttoned up closely around the neck; often, in the so-called interests of dignity, wearing vests. Yet the womenfolk were wearing light, loose and cool clothes—and not too many of them. Undoubtedly, during the heat of the summer, their clothes have been more comfortable, more attractive and healthy. We now are learning, though we have expended much unnecessary perspiration before we did learn."

The Financial Post

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A weekly newspaper reporting and interpreting events for executives in business, the professions and public administration.

RONALD A. McEACHERN
Editor

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June 23, 1951

LABOR ROUNDUP

By RONALD WILLIAMS

Reuther Revives Annual Wage Plan As 11,000 Layoff Pending at Ford

Only 400 of the 10,000 members the CIO Auto Union has in the Toronto area turned out last Sunday at the city's Uptown Theatre to hear the UAW's No. 1 man—Walter Reuther. But what he had to say was important to the union's 50,000 Canadian members, the firms that have to deal with UAW and perhaps for the rest of industry too.

For Reuther sketched in the pattern of future UAW strategy. Next step, he indicated, will be complete medical and hospital coverage, paid in full by the employer. Today these benefits are mainly paid for by the employee, through Blue Cross, Physicians and Surgeons Inc. or by straight group insurance.

This, along with the company-paid pensions, sick benefits, etc. now being paid by employers, would just about round out UAW's industrial "welfare state."

Once that's cleaned up, or perhaps before, depending on circumstances, UAW, said Reuther, will aim at a long-sought target: the guaranteed annual wage.

This, he said, is a matter of "economic justice to the worker and of economic necessity to the economy of the United States and Canada."

"You can't achieve and maintain full employment unless the people have a guaranteed wage on an annual basis. We don't want to be paid for not working. But if there is no job, it's not the worker's fault," he said.

But it was labor's experience, he added, that employers always find something for an employee to do. "If they have to pay us for the whole year, they'll find jobs for us," he said.

As he was talking, the threat of layoff was hanging over the heads of 11,000 of his union's members. On Friday, that many were scheduled to get layoff notices at Ford of Canada. At the request of Ottawa, the layoffs were postponed.

The postponement didn't last long. The layoff is scheduled to start on Monday and last until July 3. Even then all will not be rehired. Production schedules are being cut.

Reuther shouldn't have too much trouble selling the guaranteed wage program to those affected. And because UAW, along with the big steel union set the pace here and in the United States, the way the UAW campaign goes can have an important bearing on what other unions do.

* * *

Reds Rub It In

CIO Steel Workers think it is bad enough that, no matter what they do, they can't dislodge the Communist-run Mine, Mill & Smelter union from Consolidated Mining and Smelting's plant at Trail B.C. where super secret atomic energy work is being done.

Now comes the crowning blow. An arbitration award gives the Communist union the Rand formula. It means that everyone in the plant, whether they belong to the Red outfit, the Steel union or no union, will have to pay dues to the Communists. The arbitration ruling is binding on Cominco.

Said Steel organizer Bert Gargrave: "The decision to force all employees to pay dues to the Communist-dominated Mine-Mill has been forced on the majority of the workers by a minority."

Steel, he said, would intensify its campaign for a new application to the B. C. Labor Board for a vote at Trail to see which union the employees want. Two previous applications have been refused. (The Financial Post, March 17, May 19)

* * *

UAW Backs CCF

Canada's biggest single local union—CIO Auto Workers' branch in the Ford plant at Windsor—has lost the man who has been its president since it was organized during the war. Roy England, one of the union's most controversial figures, has been put on the UAW staff. England is one of seven new men added to UAW's staff (now 24) to handle a big organizing drive getting under way. England will head up a special campaign in the aircraft industry.

England's job with the Ford local has been taken over by Jack Taylor. For years, when England was riding the Communist bandwagon, along with Canadian Director George Burt and most of the UAW staff, Taylor fought England at every turn.

Then, England, along with the whole UAW top leadership cooled off on the Reds. Taylor dropped his anti-Red campaign. Today the union appears to have swung over to the CCF side of the political fence. At a conference in Toronto recently, the union endorsed the Socialist party. George Burt led the parade.

Whether this means the bulk of UAW's membership will vote CCF is open to question. Labor hasn't had too much success politically, to date. But one thing is sure: the CCF can expect a certain amount of financial and organizing help.

The UAW decision puts Canada's two biggest unions behind the CCF; the Steel Workers have been for the CCF for several years now. Between them these two unions have 100,000 members. Most of them are in Ontario where the CCF hopes to make a stand.

* * *

More Pay, Less Work

Starting June 25, federal civil servants will go on a summertime five-day, 35-hour week. The 39-hour week will be resumed Sept. 3 At the same time, the Civil Service Federation is seeking $15 monthly cost-of-living bonus with an escalator clause which would give them $1.25 for every point rise in the index over 182.

* * *

Law to Guarantee Jobs

Volunteers serving in Korea are guaranteed reinstatement in their civil jobs by Order-in-Council. Now Ottawa is moving to write the guarantee into the law. An amendment, approved by management and labor representatives on the National Advisory Council on Manpower, has gone through the Common's Veterans Committee and has been sent on to the House.

* * *

B. C. Leading Pay Parade

The hefty 6th round pay increase (estimated at around 15c an hour) is being confirmed in British Columbia. Some raises were as high as 35c an hour. On a 40-hour week, that's another $14 in the pay envelope.

Biggest major settlement gave 20c-28c an hour to 5,000 pulp and paper workers. Right behind is the deal which gives 500 construction electricians 35c which raises hourly pay to $2.13.

Still unsettled: bakers' demand for 25c; carpenters' 32c (they rejected 20c); shipyard workers (Communist-run) 50c; seamen, $30 a month (they refused $14) plumbers, $1 (they rejected 25c).

Meanwhile, CIO Woodworkers' won a major point in their drive to bring rates for 5,000 in interior logging camps up to scales in the master coast agreement. A Conciliation Board recommends that interior rates be raised from $1.10 to $1.29, now the going scale in coastal areas. The decision, while only directly affecting 150 loggers, is expected to pave the way for uniformity.

They Help Catch Murderers

New IBM Plant Produces Machines of Many Uses

A red-haired man with a scar on his left cheek ran away from a fatal shooting in Ohio a couple of years ago.

What's that got to do with business machines?

Business machines put the finger on men answering his description within a matter of minutes after the FBI got the details. Out of their Ohio file, they sorted out the cards of red-haired men at the rate of 650 cards a minute. Then they put through their machine the punch-cards of red-haired men with scars on the left cheek. Two cards dropped out. One of the men was convicted.

That's just one sample of the many uses of business machines today.

Few of the machines they're turning out at the new $1 million plant of International Business Machines near Toronto, formally opened this week, will be used to catch criminals. But the increased use of machines in business and government "will mean the construction of more plants the size of the present new one in the not-too-distant future," company President G. Harry Sheppard told The Financial Post.

MR. SHEPPARD

The new plant, employing 600, combines 84,000 square feet of manufacturing area with a two-story executive office building set in landscaped grounds on the Don Mills Road north of Toronto.

Operations of the new plant include the manufacture of electric punched card accounting machines, electric time systems, recording and signaling devices, electric typewriters and proof machines for banks and business houses.

Manufacture of these products was previously carried on at the company's Campbell Avenue plant which has now expanded its machine-shop operations and the manufacture of parts for the new factory and for export to the United States and other countries.

Export operations of parts and machines amounts to about one third of the company's total business, with exports to the U. S. close to balancing the company's imports from the United States.

Aid to Industry

What are these machines?

For engineering industries such as aircraft construction, the calculation of complicated data has always been a time-consuming stumbling block when new designs have to be taken off the drawing boards into the factory. To assist the A. V. Roe Canada Ltd. development work of the Orenda jet engine and CF-100 fighter, IBM supplied a four-unit electronic calculator.

This electronic "brain" not only has a memory to store calculations, but can compute five figure numbers at the rate of 2,174 additions or subtractions, 79 multiplications or 65 divisions — in one second.

The IBM machine accounting system speeds these operations:

1. Payroll accounting from the worker's time card, making the numerous unemployment insurance, hospitalization, pension and other deductions and additions, issuing the cheque and printing the payroll record.

2. The automatic processes make possible calculation of stock balances; the preparation of stock status reports and balance cards; mechanized quantity and financial control; management control of inventory investment; co-ordination of inventory and accounting records; complete analysis of inventory activity; evaluation of physical inventories and the automatic preparation of requirement and requisition cards. The possibilities are endless.

The whole system is based on the use of specially designed cards prepared to the desired use. A card puncher operator transfers written information onto cards which appears as a series of code holes (figures or letters). The cards are then classified and sorted at the rate of 400 or 650 per minute by a sorting machine. They may then be numbered by a document originating machine which also reproduces cards and translates pencil marks (such as used in census) into punched holes.

A calculating machine then performs fast mathematical calculations from data on the cards and prints the results. An accounting machine can be used to prepare finished reports from the cards and a tape-controlled card puncher provides a means for conveying punched card information from one location to another by tape — without sending the cards.

Innumerable Uses

These above are just a few of the operations available to business by use of such electronic machines.

To enumerate and record census data, sort it and classify it the Government is using 12 to 15 different kinds of machines.

The uses of these machines is never ending and new machines are being developed by the company all the time.

Also high up on the list of IBM products are the electric typewriters and the electronic time-systems supervised by a master clock and regulated by electronic signals.

The Canadian company, in operation in Canada for 52 years, is a wholly owned subsidiary of the IBM World Trade Corp., which includes factories in England, France, Germany, Italy, Brazil and Australia and sales and service offices in 79 countries.

COMPANY REPORTS

To assist readers in appraising and comparing company financial statements, The Financial Post has a uniform method of presenting corporation accounts. Variations from the companies' published reports are footnoted.

VULCAN IRON & ENGINEERING LTD. consolidated net profit for 1950 was $96,058, up 200% over previous year's $31,902.

Sales showed a substantial increase, said President J. A. Gairdner in a report to bondholders and employees. This increase was in spite of a set-back in the expansion program in the early months of the year due to unusual conditions, particularly the Red River flood. A further substantial advance in sales during 1951 is expected, he says.

The larger net profit was also due to better plant organization, Mr. Gairdner says. Trundle Engineering Co., Cleveland, consultants, did a survey of production methods and recommendations, including some plant additions and new equipment, were implemented. Full benefit should be realized in the last three quarters of 1951.

Plan for increasing sales included distribution on an agency basis of special machinery and tools. A number of important agencies were secured during 1949 and first half of 1950, and as at June 30, 1950, the company purchased, through its wholly-owned subsidiary, Vulcan Machinery & Equipment Ltd., all the business of North Tractor & Equipment Ltd., including the agency for certain Allis-Chalmers lines and General Motors diesel engines. Several other important agencies were also acquired in second half. It is anticipated that agency sales, now important in overall sales volume, will continue to grow.

The company joined on an equal basis with Holman-Brothers Ltd. of Cambourne, England, a producer of pneumatic tools and equipment, in formation of a new company, Holman-Vulcan Ltd. Under an agreement with Holman Bros. Ltd. Holman-Vulcan got sole rights to make or sell Holman equipment in North America.

To provide manufacturing facilities, Holman-Vulcan bought all outstanding shares of The Ford-Smith Co., East Hamilton, Ont. It is proposed to continue to manufacture the Ford-Smith lines of grinding and cutting tools as well as Holman-Vulcan equipment.

No benefits were received from formation of Holman-Vulcan, Mr. Gairdner states, but such benefits should accrue in 1951.

INCOME ACCOUNT

Years Ended Dec. 31:	1950	1949
Net earnings	$283,864	$161,770
Less: Deprec.	99,309	87,926
Bond int.	24,997	25,942
Taxes	63,500	16,000
Net profit	96,058	31,902
Less: Pref. divds.	30,000	30,000
Surplus for year	66,058	1,902
Times Bond Interest Earned:		
Before deprec.	11.36	6.24
After deprec.	7.38	2.85
Earnings per Share and Dividend Record:		
Preferred†	$3.20	$1.06
Preferred‡	1.83	1.02
Paid	1.00	1.00
Common†	0.83	0.02

None paid.

†Before (‡after) participation.

CONDENSED BALANCE SHEET

As at Dec. 31:	1950	1949
Cash	$2,541	......
Accts. rec.	744,483	$401,283
Inventories	1,221,409	838,485
Total curr. assets	1,968,433	1,239,768
Prepd. chgs.§	1,696	14,261
Misc. assets	23,549	5,800
Invest. in affil. cos.	125,000	......
Fixed assets*	1,211,344	1,123,113
Total assets	3,330,022	2,382,942
Bk. in. & overdr.	484,193	196,688
Other curr. liabs.	647,777	227,354
Total curr. liabs.	1,131,970	424,042
Funded debt	748,000	559,000
Capital stock	1,250,000	1,250,000
Earned surplus	200,052	149,900
*After depr. of	290,463	191,444

§Incl. in curr. assets in co's report.

Working capital	836,463	815,726

PICKLE CROW GOLD MINES earned $284,509, 9 cents a share in 1950, a reduction of 2 cents from a year earlier. After payment of 10 cents a share in dividends, working capital advanced about $116,000 to $1,522,284.

Ore reserves of 701,000 tons at the end of 1950 are equivalent to 5.2 years' mill supply at the milling rate of 369 tons daily. They do not include ore indicated by diamond drilling below the 2,450-ft. level in the iron formation and in No. 1 vein which will be explored this year.

The new ore area in the iron formation would appear to have three main shoots at the 2,450-ft. horizon which would give averages of $8 to $10 a ton. A series of 20 holes drilled below this area indicated better grade and more continuous material. The average was $10.10 across 13 ft. or $7.95 over 18 ft. One hole at a depth of 475 ft. below the 2,450-ft. level gave $11.82 over 15 ft.

INCOME ACCOUNT

Years Ended Dec. 31:	1950	1949
Bullion prod.	$1,783,108	$1,776,736
Less: Mktg., etc.	15,240	15,696
Net output	1,767,868	1,761,040
Less: Oper. exps.	1,298,787	1,262,600
Oper. profit	469,081	498,440
Add: Sundry rev.	20,190	16,112
Est. Cost-Aid	89,975	128,934
Total earnings	579,246	643,486
Less: Deprec.	88,157	71,770
Prov. for taxes	71,822	100,011
Dev. exp. w/o	134,758	128,021
Net profit	284,509	343,684
Less: Divds.	313,685	313,685
Surplus for year	▪29,176	29,999

▪Deficit.

Earned per Share	$0.09	$0.11
Paid	0.10	0.10

CONDENSED BALANCE SHEET

As at Dec. 31:	1950	1949
Cash & bullion	$325,889	$503,274
Govt. bonds*	472,000	472,000
Accts., etc., rec.	13,145	12,339
Est. Cost-Aid	87,816	76,040
Mkt. securities	272,017	......
Recov. exp.	3,413	3,287
Mat. & supplies	469,058	480,511
Total curr. assets	1,643,338	1,547,451
Dep. re pwr. cont.	28,000	28,000
Prep. & def. chgs.	28,839	5,733
Shs., etc., other cos.	36,648	41,269
Mining claims	1,813,498	1,813,498
Devel. exp.†	6,432	141,190
Plant & equip.▴	205,700	241,279
Total assets	3,762,455	3,818,420
Accts., etc., pay	94,388	81,549
Reserve for taxes	26,666	59,250
Total curr. liab.	121,054	140,799
Capital stock	2,647,400	2,647,400
Surplus	994,001	1,030,221
†After w/o	543,530	408,772
▴After depr. of	1,757,869	1,670,133
*Market value	470,820	484,390
Working capital	1,522,284	1,406,652

OPERATING STATISTICS

	1950	1949
Tons milled	134,758	128,021
Average recov.	$13.23	$13.88
Ore reserves, tons	701,000	765,255
Grade ($35 gold)	$13.40	$13.55

G.E.C. ... and the Toronto Subway

For Canada's first subway, the Toronto Transport Commission has awarded Canada's first contract for British railway signalling equipment. All automatic signalling and interlocking equipment will be supplied by The Siemens and General Electric Railway Signal Co. Ltd., one of the associated companies of G.E.C.

G.E.C. is the registered trade mark of the General Electric Co. Ltd. of England, Britain's largest manufacturer of everything electrical.

G.E.C. is British-owned and British-directed, serving a world-wide market through 11 Overseas Companies with 41 Branches and 105 Agencies.

Equipment for the Toronto subway comprises automatic colourlight signal, electric point machines, electrically operated train stops and relay interlocking panels for controlling signals and points from signal cabins. The system was ordered through and will be installed by Radio Engineering Products Ltd., Montreal, in cooperation with British engineers.

If it's electrical, G.E.C. can do it . . . in any part of the world

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MACOTTA COMPANY OF CANADA LTD.

85 Main Street South, Weston MU. 7303
TORONTO 15

"No garret for me!"

"Time was when people used to joke about the typical artist who starved in a garret. But today those jokes have a hollow ring.

"Look around and you'll see lots of commercial artists like me making a very good living, thank you. I own my own home. Have a pretty good car. Everything's going my way. And yet . . .

"There'll come a day, years from now, when I'll want to start taking it easy. What will happen then? Will the garret get me?

"No sir! I've got things worked out so that I can go right on living *comfortably*. It won't be long before old folks will be paid some kind of benefits. And I'll be glad to get that help when my turn comes—just like everybody else. But *I'll have* to *add* to that income with *my own life insurance*.

"That way, I'll be able to live a carefree independent life later on. And my family is being protected with that same life insurance from now till the day I retire.

"So I'm really sold on the idea of planning my future the life insurance way—the way that meets *all* my security needs!"

At Your Service . . .

To help you meet your future financial needs with made-to-measure planning, your life insurance company serves you through a trained life underwriter.

He takes a personal interest in your problems . . . analyzes the facts that must be considered in building a sound plan for all-round security. His services provide another great advantage of seeking security the life insurance way!

The LIFE INSURANCE COMPANIES in Canada
and their Representatives

WORKING FOR NATIONAL PROGRESS . . . BUILDING PERSONAL SECURITY

L-151B

CHANGE OF NAME

The Company name

of

SUPERIOR OILS
LIMITED

•

Has been changed to

**SUPERIOR OILS OF
CANADA LIMITED**

509-8th Avenue West,
CALGARY, Alberta.

MAGOG, Que. has sold $185,500 3% bonds due May 1, 1952-66, and $86,500 4% due May 1, 1967-71, to a syndicate composed of A. E. Ames & Co. Ltd. and Banque Canadienne Nationale at 92.89. Net cost 4.276%. Proceeds for various works and purchases. Net funded debt $959,590 at Dec. 31, 1950. Population in 1950, 11,266.

Telecom
LIMITED

TELECOM—The improved, efficient and economical inter-office and factory communication system.
Ask for a Demonstration
EMpire 4-9007
93 Church Street, Toronto, Ont.

ONE VIEW OF THE MARKET:

Here Are Stocks Traded By N. A. Life During 1950

Canadian life insurance companies have an investment of $86 millions in Canadian stocks. As a service to its readers, The Financial Post presents here one of a series reporting on the holdings of individual companies, and changes in its portfolio of Canadian preferred and common stocks in the past year.

North American Life Assurance Co. in 1950 increased its holdings of preferred stocks from 3.9% of invested assets to 4.5% and its holdings of common stocks from 1.5% to 1.7%. Stocks were carried at a total value of $6,391,736 on the balance sheet at Dec. 31, 1950.

During the year, in its holdings of Canadian stocks, North American Life:

—added five new preferred and four new common stock holdings;

—increased its holdings of two preferred stocks and four common stocks;

—reduced its holdings of two preferred stocks and two common stocks;

—eliminated two preferred stocks and one common stock from its portfolio.

New preferred stockholdings at Dec. 31, 1950 included British Columbia Electric Co. 4¾%, Shawinigan Water & Power Co. 4½%, Canadian Fairbanks-Morse 6%, Dominion Foundries & Steel Ltd. 4½% and Hamilton Cotton 5%.

New common stockholdings at Dec. 31, 1950 included Fanny Farmer Candy Shops, Lease 64 Ltd., Ogilvie Flour Mills Co. and Quadra Leases Ltd.

Holdings were increased of Imperial Tobacco Co. of Canada 6% preferred, National Grocers 7½% preferred and the following commons: Bell Telephone Co. of Canada, Famous Players Canadian Corp., Penman's Ltd. and Steel Co. of Canada.

Deletions from the portfolio included Capital Wire Cloth & Mfg. Co. preferred (which was called for redemption), Simpsons Ltd. 4½% preferred and Montreal Telegraph common.

Holdings were reduced of Fraser Companies 4¾% preferred, Steel Co. of Canada 7% preferred, Ford Motor Co. of Canada common and Dominion Bank common.

Holdings of Canadian preferred and common stocks at Dec. 31, 1950 together with the change in number of shares held during the preceding year shows as follows:

HOLDINGS OF CANADIAN PREFERRED AND COMMON STOCKS

	Held at Dec. 31 1950	Change Since Dec. 31 1949
	—No. of Shares—	
PREFERRED:		
B. C. Electric 4¾%	500	+500
B. C. Telephone 6%	434	....
Gatineau Power 5%	800	....
Saguenay Power 4¼%	750	....
Shawinigan W. & P. 4%	675	....
Shawinigan W. & P. 4½%	1,000	+1,000
Acadia Atlantic Sugar 5%	35	....
Alum'm Co. of Can. 4%	4,000	....
Can. Steamship Lines 5%	1,000	....
Can. Fairbanks-Morse 6%	500	+500
Can. Industries Ltd. 7%	775	....
Capital Wire Cloth & Mfg. $1.50	....	—1,000
Dom. Foundries & Steel 4½%	500	+500
Dom. Glass Co. 7%	1,750	....
Dom. Tar & Chem. $1	1,000	....
Dom. Textile 7%	95	....
Dunlop Tire & Rub. 5%	4,000	....
Fittings Ltd. A conv.	2,000	....
Fraser Cos. 4¾%	385	—115
Goodyear Tire & Rub. 4%	2,000	....
Hamilton Cotton 5%	250	+250
Howard Smith Paper Mills 4%	2,000	....
Imperial Tobac. of Can. 4%	2,000	....
Imperial Tobac. of Can. 6%	16,500	+8,545
Imperial Var. & C. $1.50	2,000	....
Int. Metal Indus. 4½%	500	....
Loblaw Groceterias A	1,270	....
McColl-Frontenac Oil 4%	500	....
Moore Corp. 4%	4,000	....
Nat. Grocers 7½%	2,815	+25
Ogilvie Flour Mills 7%	300	....
Penmans Ltd. 6%	60	....
Provincial Paper 4%	2,000	....
Purity Flour Mills $3.50	1,000	....
P. L. Robertson Mfg. $2.50	500	....
Simpsons Ltd. 4½%	....	—145
Steel Co. of Can. 7%	5,500	—450
G. Tamblyn 4%	500	....
Tucketts Tob. 7%	236	....
George Weston 4½%	1,000	....
Zellers Ltd. 5%	3,500	....
Zellers Ltd. 6%	550	....
Traders Finance 4½%	500	....
COMMON:		
Bell Tel. Co. of Can.	8,300	+620
Consumers Gas Co.	1,500	....
Mont. Telegraph	....	—550
B. A. Oil Co.	1,500	....
Building Prod.	735	....
Can. Indust. Ltd.	6,250	....
Dom. Glass	1,150	....
Famous Players Can.	4,000	+2,000
Fanny Farmer Candy	1,000	+1,000
Ford Motor Co. of Can.	550	—950
Imp. Oil	500	....
Imp. Tob. Co.	2,500	....
Int. Nickel Co.	1,250	....
Int. Petroleum	2,370	....
Lease 64 Ltd.	2,500	+2,500
Ogilvie Flour Mills	1,500	+1,500
Page Hersey Tubes	400	....
Penmans Ltd.	500	+400
Quadra Leases Ltd.	2,500	+2,500
Russell Ind.	2,500	....
Steel Co. of Can.	1,000	+450
Bank of Montreal	4,000	....
Bank of Nova Scotia	4,000	....
Bank of Toronto	5,300	....
Can. Permanent Mtge.	5,000	....
Can. Bank of Commerce	4,500	....
Dominion Bank	6,300	—250
Imperial Bank of Can.	6,500	....
Montreal Trust Co.	185	....
Royal Bank of Canada	4,500	....
Tor. Gen. Trusts Corp.	2,000	....

Of the company's total invested assets 58.8% were in bonds and 28.9% in mortgages while stock investments totaled 6.2% of the whole. An analysis of invested assets at the end of each of the last four years shows as follows:

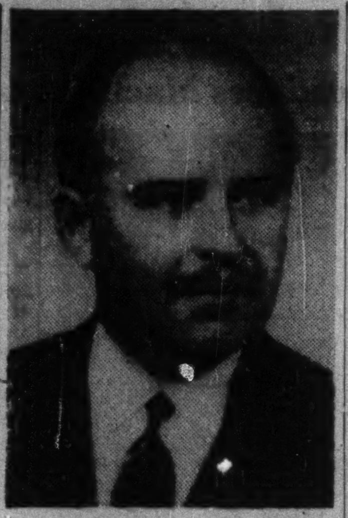
Analysis of Invested Assets

	1950 %	1949 %	1948 %	1947 %
Bonds:				
Government	29.6	30.9	37.0	50.6
Municipal	7.3	7.5	7.3	6.0
Other	21.9	20.5	20.6	16.0
Total	58.8	58.9	64.9	72.6
Mortgages:				
Farm	.1	.1	.2	0.3
Urban	28.8	29.2	23.6	15.8
Total	28.9	29.3	23.8	16.1
Policy Loans	4.6	4.5	4.6	4.6
Stocks:				
(a) Preferred	4.5	3.9	3.3	3.0
(b) Bank, trust & loan cos.	.7	.7	.7	.7
(c) Common	1.0	.8	.9	1.0
Real Estate	.4	.4	.4	0.5
Other	1.1	1.5	1.4	1.5
Grand Total	100.0	100.0	100.0	100.0

Barclays Trust Toronto Branch Appointment

V. W. ASHBY

V. W. Ashby, who has been appointed Manager of the newly-opened Toronto Branch of Barclays Trust Company. Born in England, educated in the West Indies, Mr. Ashby was engaged in the legal profession in the United Kingdom before settling in Canada some years ago, since when he has been in Trust Company business in Toronto and Calgary. *



JOHN S. D. TORY,

has been elected a director, Moore Corp., Toronto.

COMPANY REPORTS

To assist readers in appraising and comparing company financial statements, The Financial Post has a uniform method of presenting corporation accounts. Variations from the companies' published reports are footnoted.

SILVERWOOD DAIRIES LTD., London, Ont., consolidated net profit for year ended March 31, 1951, was $732,582, down 8.5% from previous year's $800,766.

Sales amounted to $31,521,198, or 0.1% less than previous year. "This decrease is more than accounted for in the reduction of butter sales due in the main to the competition of margarine," say President E. G. Silverwood and Chairman A. E. Silverwood.

Although cool weather seriously affected ice cream sales in the first six months of the fiscal year, a steady sales increase in last half held down the net decrease in this item.

Sales at Winnipeg were seriously affected during the flood there last year.

"We are very proud of our new chocolate drink, Dari-Rich, and the phenomenal increase in our chocolate drink unit sales testifies as to its acceptance by the public. The introduction last January of another new product, Yami-Yogurt, on our milk wagons created a great deal of interest and sale," the officers say.

Unit sales of fluid milk, retail and wholesale, showed a "satisfactory increase."

Outstanding bonds were reduced by $210,000 and outstanding Western Preference Stock, by $100,300, a total reduction of $310,300.

Capital assets are carried in the balance sheet substantially at cost, and are depreciated so as to write off the cost of each asset over its expected useful life. (Depreciation reserve of 48.5% of cost of assets has been provided). Replacement values would be much higher, the officers point out, and depreciation based on these would take a larger amount out of profits. They are following "a generally accepted practice of accounting" in valuation at cost, they say.

CONSOL. INCOME ACCOUNT♦

Years Ended Mar. 31:	1951 $	1950 $
Sales	31,521,198	31,552,871
Net earnings	2,135,442	2,173,886
Less: Res. for depr.	615,794	617,150
Int. on bds., debts. & mtge.	184,547	192,032
Amort. of prem.	10,479	13,838
Inc. tax	592,000	550,000
Net profit	732,582	800,766
Less appropriations:		
Silv. W't pf. div.	53,086	57,081
Min. int. in com.	682	553
Silver. Cl. A	299,720	299,706
Silver. Cl. B	176,439	154,377
Less: Div. on shs. held by subsid.	1,804	3,428
Surplus for year	201,459	292,477

♦Incl. Silverwood Western Dairies Ltd.

CONDENSED CONS. BALANCE SHEET

As at Mar. 31:	1951	1950
Cash & Dom. bds.	$2,105,602	$2,184,869
Misc. mkt. sec.	9,850	9,850
Accts. rec.	938,319	840,062
Refund. taxes	70,552	176,000
Inventories	1,418,263	1,092,201
Total curr. assets	4,542,586	4,302,982
Prep. exp.‡	213,219	224,934
Misc. assets♦	183,762	252,410
Fixed assets	12,813,490	12,380,893
Goodwill	420,820	420,820
Total assets	18,173,877	17,582,039
Subs. bk. o'draft	209,984	111,607
Accts. & tax. pay.	2,175,977	2,028,567
Bonds, etc., mat.	156,000	162,000
Divds., int., etc.	183,006	190,323
Total curr. liab.	2,724,967	2,492,897
Funded debt	4,352,500	4,562,500
Min. int. S. W't D.	1,040,898	1,141,068
Deprec. res.	5,924,689	5,539,744
Capital stock	2,811,835	2,775,675
Surplus	1,318,968	1,070,155
‡Included in curr. assets in co's report.		
♦Incl. ref. EPT	......	72,000
Working capital	1,817,619	1,810,088
Times Interest Earned:		
Before depr.	11.57	11.32
After depr.	8.23	8.11
Earnings per Share and Dividend Record:		
Cl. A: Earned†	$1.36	$1.50
Paid	0.60	0.60
Cl. B: Earned†	0.36	1.01
Paid	0.40	0.35
Cl. A & B‡	0.72	0.80

†Before (after) participation.

INDUSTRIAL ACCEPTANCE CORP. reports that 10 5% preferred shares and 20 4½% cumulative preferred shares have been redeemed, leaving 14,605 5% shares and 14,495 4½% shares now outstanding.

MAILMAN CORP.'S 63,636 cumulative convertible no par value priority shares have been approved for listing on the Montreal Stock Exchange and were called for trading June 18.

AJAX PETROLEUMS has granted an option on 100,000 shares at $1 to company's president, exercisable to Sept. 8, 1953, for services rendered. Payment has been received for Dec. 18 option installment of 250,000 shares at 40c a share under financing agreement with Draper, Dobie & Co. and E. H. Pooler & Co. Issued capital is 2,300,005 shares, leaving 999,995 shares in treasury.

Publishers To Tighten Magazine Selling Control

Canadian magazine publishers feel they now have the answer to their problem of control and regulation over subscription selling. The voluntary Canadian Central Registry of Subscription Representatives, Toronto, organized just over a year ago, is now completely organized and equipped to deal with injurious magazine and periodical selling practices on the fringe of the industry.

From now on you won't meet the good-looking girl on the street who "just has another 100 subscriptions to sell for a free course in nursing"; you won't open the door to magazine salesmen who are "working their way through college"; and you won't have to doubt the authenticity of legitimate callers. If you do, the Central Registry wants to know about it.

By self-regulation on a national scale, the publishers and subscription agencies are offering an alternative to various schemes of municipal licensing of canvassers, which, though so far in force in a minority of municipalities, threaten to choke off one of the lifelines of the industry—subscription field sales.

The Toronto Civic Legislation committee, for example, has a proposal before the city that all magazine agents be licensed. Most municipalities that do have licensing have a system that's designed to be prohibitive, shutting out legitimate enterprise as well as the "fringe" operators who are not endorsed by anyone.

Publishers feel that subscription selling should have regulation and control, but don't think it should be achieved through licensing.

Nearly all Canadian magazine publishers, most of the larger subscription agencies and the big U. S. publishers who sell in Canada are members of the Central Registry. Members are assessed according to volume of field sales and each is required to post cash or bond up to a maximum of $500 with the Registry.

For failure to comply with selling standards, he can be assessed anything up to that amount or, worse, be tossed out of the association.

Strict Standards

The Registry leaves sales methods up to individual members, but keeps selling practices within a strict code of ethics. Prohibited are:

1. False or misleading canvass or personal sympathy appeal.
2. Selling subscriptions on the streets or in lobbies or corridors of any building—a practice known as "stemming."
3. Selling of bulk subscriptions to be sent to hospitals or other institutions.
4. Use of misleading statements in advertising concerning subscription sales or in connection with adjustments of sales.
5. The distribution or use of members' official receipts by anyone other than the registered agent.

A member is obliged to fulfill all subscriptions sold on his official receipt regardless of who sold it. Also, a member must fulfill all subscriptions sold by his authorized and registered agent no matter what receipt may be issued.

By setting up such regulation and control publishers collectively hope:

—To ensure lawful sale of periodical subscriptions in accordance with federal and provincial laws and the rules and regulations of the Post Office Department and of the Audit Bureau of Circulation.

—To protect the subscribers against loss of money or benefits in the purchase of a subscription—subscriptions sold by registered agents are guaranteed.

—To aid and co-operate with national organizations and authorities, assist in enforcing local laws or ordinances designed to eliminate dishonest or fraudulent subscription solicitors.

C of C Support

Currently the Central Registry is working on a plan for stricter regulation of out-of-town subscription crews according to J. R. Sarney, manager of the Registry. Under the plan, the selling crew reports to the local Chamber of Commerce manager on arrival, gives details of its selling program and what magazines are represented. The Chamber of Commerce is anxious to co-operate.

After the selling crew has left town, the Chamber of Commerce would send a report on activities on a special form supplied by the Registry.

The Registry also urges that any cause for complaint be reported by chiefs of police, town clerks or individual subscribers. By collecting such evidence, it has been responsible for three arrests and convictions so far.

In 13 months of existence, the Registry has had one occasion for expulsion—a Toronto subscription agency, now out of business.

Membership in the Canadian Registry may be expanded to include book as well as magazine publishers as the association gains in experience and influence.

Present publisher members are: P. F. Collier & Sons, New York; Consolidated Press Ltd., Toronto, Country Guide Ltd., Winnipeg; Cowles Magazines Inc., Des Moines, Iowa; Curtis Circulation Co., Philadelphia; Esquire Inc., New York; Maclean-Hunter Publishing Co., Toronto; McCall Corp., New York; New Liberty, Toronto; Newsweek, New York; Popular Mechanics, Chicago; Reader's Digest, Montreal; Time Inc., New York; The Western Producer, Saskatoon.

Subscription Agency members: B & M Readers Service Ltd., Toronto; Berglund Subscription Agency, Regina; Better Books Ltd., Vancouver; Canadian Literary Association, Toronto; Canadian Publishers Institute, Winnipeg; Canadian Reading Club Toronto; Davis Circulation Agency, Oakville; Dominion Readers Service Ltd., Toronto; National Library Guild, Toronto; Publishers Guild of Canada, Toronto; Western Canada Subscription Agencies, Edmonton.

SOUTHERN CANADA POWER CO. gross earnings for May, 1951 totaled $546,080, against $486,106 same month a year ago. Also higher were operating and maintenance expenses at $244,314 ($211,660), taxes at $113,058 ($87,313) and depreciation, interest and dividends at $185,888 ($164,526), leaving a net surplus of $2,820 ($22,607). For the first eight months of the current fiscal year, gross earnings amounted to $4,309,014 ($3,758,733) and net surplus to $34,258 ($154,857).

Fairclough & Company Limited announce the appointment as Directors of the Company effective May 1st, 1951, of

MR. BLAIR B. DEALE
MR. WILLIAM N. HOVEY
MR. GEORGE M. WILSON

ARTHUR DYMOND, President
HOWARD W. HUNTER, Vice-President

Fairclough & Company
LIMITED
220 Bay Street, Toronto

Trafford & Associates
announce the opening of offices
as
Geological, Petroleum Engineering
and
Management Consultants
Wales Hotel Building - 10th Floor
709 - 2nd Street West
Calgary, Alberta

	Telephones:
E. TRAFFORD	61212
R. POT	61224
P. KLAUI	63132
R. J. POGUE	

Your Sixteenth of the World

Your Sixteenth of the World—Canada, a sixteenth of the total land area of the globe—is a rich and fertile land of space and greatness.

One measure of Canada's greatness is the big stick—the giant who pokes his inquisitive nose high above the lesser beings of the forest. As these majestic old timers crash down and flow away through the slipways and streams the lifeblood of Canada is enrichened and strengthened.

From our forests in 1946 came the largest single item of production in Canada—in the language of the statistician, $1,288,994,000.00 in gross primary production value—nearly $100.00 for every person in Canada. Look at these facts—⅓ of ALL our exports—newsprint export value $265,800,000.00—value of planks and boards exported valued at half that of wheat, and now rival it for first place—pulp and paper ALONE exceeded any other item produced—Canada produced 58% of the world total of newsprint.

As we at OH&N reflect on this story in the daily course of our business we are proud to look back on over 66 years of service in financing and development of Canada. Our Sixteenth of the World is a great place, with a clear and shining hope for the future.

INSURANCE STOCKS BONDS GRAIN REAL ESTATE OIL LEASES WHOLESALE FUEL

OSLER, HAMMOND & NANTON
Limited
NANTON BUILDING BRANCHES WINNIPEG

The ethics which govern the operation of all reputable Stock Exchange firms are traditional with us.

Traders and investors are invited to open accounts with us.

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EXECUTIVE OFFICES—WINNIPEG
Branches: Vancouver, Victoria, Calgary, Edmonton, Regina, Saskatoon, Moose Jaw, Lethbridge, Portage La Prairie, Swift Current, Kenora, Kingston, Toronto, Montreal

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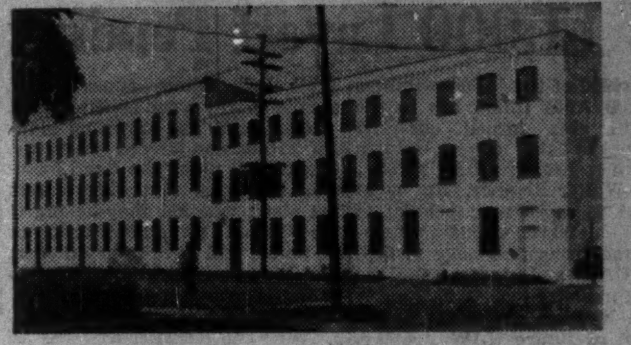


FULL PRICE $70,000 FULL PRICE
OVER 45000 SQUARE FT.

This sprinklered, steam heated factory with accessory buildings and nearly an acre of land. Good trucking facilities, two ton elevator. Separate brick office building, storage sheds, etc., all included at the sacrifice price of $70,000. Terms if necessary. Apply

P. J. HARVEY
Realtor
63 Darling Street Phone 2-7897 Brantford, Ont.

Another timely study by BABSON'S

"OUTLOOK FOR EARNINGS"

Will the trend of company earnings continue generally upward or turn down? Which companies will be exceptions, regardless of the trend? Which concerns are most likely to continue showing a steady GROWTH in earning power and dividends?

You will find the answers in our latest studies covering 58 LEADING CANADIAN COMPANIES THAT HAVE PAID DIVIDENDS FOR AT LEAST 10 YEARS.

AN ESTIMATE OF PER SHARE EARNINGS IN THE CURRENT FISCAL YEAR IS GIVEN IN EACH CASE, and an opinion on each one of the issues analyzed is also expressed. This enables you to determine whether an issue should be HELD, SOLD, OR BOUGHT.

These studies are the result of painstaking effort, are unique in character, and—as far as we know—are not available in similar form anywhere else in the Dominion. In addition, you will receive our current analysis of the business situation entitled "PEAK HAS BEEN SEEN." All this material is available for the nominal cost of printing and handling.

Simply pin a $2.00 bill or cheque to this advertisement, together with your name and address (Please Print) and the material will be sent to you immediately.

BABSON'S CANADIAN REPORTS LIMITED
Harbour Commission Building TORONTO 1 WA. 3316
F.P.4

New Issue

$650,000

Okanagan Telephone Company

5% General Mortgage Sinking Fund Bonds, Series "A"

To be dated July 1, 1951 To mature July 1, 1971

Denominations $1,000 and $500

We offer, as principals, these bonds for delivery if, as and when issued and received by us and subject to prior sale and the approval of counsel of all proceedings.

Price: 99½ and accrued interest

A copy of the offering circular will be furnished on request.

Royal Securities Corporation Limited
Pemberton Securities Limited

ELLAMS OF LONDON

have pleasure in announcing the appointment of

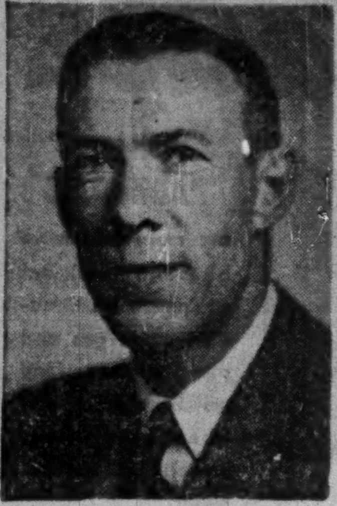
KERR-ELLAMS OFFICE APPLIANCE LTD.,
Hardy Arcade
130 Sparks Street, Ottawa, Canada

as their exclusive Ottawa distributors.

◆ ◆

Ellams Duplicator Company Ltd.,
LONDON, W.1., ENGLAND
S. Leslie Kerr, Canadian Representative,
1100 Bleury Street, Montreal, Que.

Firestone Appointment



DONALD R. CASKIE

Mr. W. H. Funston, President, announces the appointment of Donald R. Caskie as Assistant Treasurer of the Firestone Tire & Rubber Company of Canada, Limited.

During his service with Firestone Mr. Caskie has held a number of important positions in the Treasury Dept.

What Causes Major Mistakes In Marketing Policy, Costs?

The greatest single cause of the high cost of moving goods from factory to consumer is a high margin of error in executive decisions in marketing policy and strategy, according to Arthur C. Nielsen, president, A. C. Nielsen Co., Chicago, marketing researchers.

Why do these errors exist? How can they be eliminated? What is the best approach to expanding domestic and creating new foreign markets?

Highly specialized marketing research is providing answers to these and other important questions Mr. Nielsen told the 36th annual Association of Canadian Advertisers' conference at Toronto recently. Executives are right in only 58% of their important marketing decisions. Of the $33 billion consumers pay annually for products of the 300 Nielsen clients in the food, drug and allied industries, about $18 billions or 55% is spent in distribution.

Here's why:

—Marketing problems are nebulous. Unlike production problems, they don't exist under one roof but in the minds of millions of consumers and wholesalers and retailers.

—There is a woeful lack of facts on which to base marketing decisions.

The difficulty in getting marketing facts has caused many corporations to refrain from making any substantial effort to get them. But sound marketing research is gaining in acceptance and utilization states Mr. Nielsen. Executives are maturing from the days when they looked upon the marketing researcher as a crackpot with a brief case full of nutty pie charts.

Marketing researchers have improved fact-finding techniques. The mail questionnaire had limitations in scope and replies tended to come from specific groups, for example, those who were interested in the subject or who liked the product. The interview method is still in wide use but it also has limitations: It is not always factual — consumers and retailers don't know exactly how much they buy and sell and consumers don't always know why their brand selections were influenced. It is static, doesn't provide a moving picture of rapidly changing market conditions. Third, the interview method is seldom co-operative, can't be standardized to allow several manufacturers to share the cost.

Improved Technique

A factual, continuous and co-operative research technique has been developed and is now in continuous operation in the food and drug industries (which spend more than half of America's advertising dollars) in Canada, U. S., U. K. and Australia. The current volume of business is more than 40 times what it was in 1934 when the new technique was first used.

The Nielson Food-Drug Index measures consumer sales every 60 days by detailed, personally conducted audits of invoices and inventories in more than 6,000 typical chain and independent stores in the four countries. Figures thus obtained are expanded to a total for the entire country.

Basic data for each retail store reveals information on sales to consumers, retailers purchases, retail stock and stock turn, retail distribution, prices, retail gross profit, per cent of stores out of stock, retail promotion, total sales.

Information obtained is broken down into classifications, such as brands, types and package sizes, territories, city sizes, consumer income classes, store type and sizes, which furnish solutions to perplexing marketing problems. With the survey completed every two months, trends are also determined.

Where the manufacturer doesn't sell directly to the consumer but to chain and wholesale warehouses, the extent to which consumer sales differ from factory sales is not appreciated by most executive points out Mr. Neilsen. This is one important service that marketing research gives. It provides a consumer sales curve as contrasted with factory sales. If the consumer curve is broken down according to the above classifications, manufacturers learn accurately and promptly the result of every move they make.

Competitor Sales

A unique and valuable feature of the Nielsen Index is the ability of its user to determine sales of client competitors. The manufacturer can measure the effectiveness of every move made by his competitors as well as his own.

A. C. Nielsen Co. sells its service on a nonexclusive basis. By cost sharing the service sells for less to individual users. "It's economically sound for all competitors to have information about each other," states Nielsen's president. "Marketing research can eliminate such things as price wars, establish immediately whether dropping sales are the result of a general slump."

Here are the principal uses of the Nielsen Index by manufacturers:

1. To distribute advertising and merchandising effort correctly among various territories, city sizes, store sizes, seasons and consumer income levels.
2. To separate the profitable from the unprofitable; e.g.: copy appeals, quantities of advertising, advertising displays, media or premiums.
3. To detect marketing weaknesses and reveal the result of every effort made to correct them.
4. To provide advance warnings of sales declines, competitive inroads, need for change in products, packaging, etc.
5. To reveal causes of sales declines and point towards remedies.
6. To detect gains or losses in dealer good-will.
7. To determine most profitable price levels.
8. To reduce the risk of marketing new products.

New Field Appraisal

Marketing research can provide vaccination against the "greener pastures disease." Reasons for general inability of an established company to invade successfully a non-related or even closely related field boil down to a failure to gauge competitive conditions accurately and exhaustively through research and a failure to appraise properly the power of Originator's Advantage according to Mr. Nielsen.

Hazards inherent in developing and marketing new products are being substantially reduced by marketing research as a means of exploring the market prior to launching the new product. Among the more important types of data gathered for this purpose are: total market and location of market, importance of each retail channel, consumer preferences, trade discounts and most effective promotion methods.

Closely allied is the problem of launching an existing product in a foreign country.

Marketing research also provides a yardstick for production control. For example: the heavy demand enjoyed at the outset with a new product or fresh packaging of an existing product is a demand based largely on supplying stock to wholesalers and retail shelves, not a measure of consumer sales. Marketing research can accurately gauge the volume of goods actually moving to consumers and avoid the dangers of seriously over-extending production capacity.

The food-drug research technique is no armchair statistician method. One company pays more than $700,000 each year towards marketing research. Here are some Nielsen production facts: 2,000 full-time employees, 4,000 electronic tabulating devices, 4 million miles traveled each year, 10 million new facts gathered each day.

COMPANY REPORTS

To assist readers in appraising and comparing company financial statements, The Financial Post has a uniform method of presenting corporation accounts. Variations from the companies' published reports are footnoted.

COCHENOUR WILLANS GOLD MINES increased output over $370,000 in 1950 to a record $1,445,050. Profits at $424,120, 14 cents a share were doubled.

Estimated operating profit for the first four months of 1951 amounted to $147,626 after taxes.

Grade of ore mined was above average in 1950. President W. M. Cochenour reports that development has been satisfactory and that an extensive geological survey of the property is being conducted. Work completed has materially assisted in maintaining a more even grade of ore deliveries to the mill.

There was no cost-aid included in 1950 revenues although anticipated amendments covering 1950 are expected to result in $7,000 of assistance being received.

New ores encountered have proved to be more refractory and despite research completed, no great improvement has been achieved. Further work is being done.

INCOME ACCOUNT

Years Ended Dec. 31:	1950	1949
Bullion prod.	$1,445,050	$1,071,610
Less: Oper. exps.	760,979	809,044
Operating profit	684,071	262,566
Add: Misc. income	10,938	9,040
Est. Cost-Aid	......	73,000
Less: Deprec.	99,230	87,682
Log. oper. loss	14,936	1,218
Devel. exp. w/o	15,662	15,661
Prov. for taxes	141,061	•37,399
Net profit	424,120	202,646
Less: Divds.	355,399	236,932
Surplus for year	68,721	▪34,286

▪Deficit.

•After deducting $10,138 income tax credits due to losses in prior periods.

	1950	1949
Earnings per Share	$0.14	$0.07
Paid	0.12	0.08

CONDENSED BALANCE SHEET

As at Dec. 31:	1950	1949
Cash & bullion	$209,798	$82,582
Dom. bonds	519,030	192,000
Accts., etc., rec.	19,939	186,663
Govt. aid rec.	22,239	57,711
Mat. & supplies	174,372	175,024
Lumber, etc.	12,401	35,600
Total curr. assets	957,779	729,580
Prep. & def. chgs.	60,641	82,122
Development exp.†	8,827	24,489
Other inv. & adv.	9,122	70,677
Hydro deposit	10,000	10,000
Claims & props.	232,333	232,333
Plant & equip.*	235,291	207,777
Total assets	1,513,993	1,356,978
Accts. & wages pay.	82,172	57,419
Taxes payable	84,313	17,009
Total curr. liab.	166,485	74,428
Capital stock	861,960	861,960
Surplus	485,548	420,590
*After depr. of	772,351	675,761
†After w/o of	95,584	79,923
Working capital	791,294	655,152

OPERATING STATISTICS

	1950	1949
Tons milled	71,171	83,891
Average recovery	$20.30	$12.77

Company Meetings

Date	Company	Place
June 22	Bobjo M.	Toronto
June 22	East Koot. Pwr.	Montreal
June 22	Nor. Can. Mtge.	Winnipeg
June 26	Brazilian Tract.	Toronto
June 26	Pickle Crow G. M.	Toronto
June 26	Thrift Stores	Outremont, Que.
June 27	Chateau-Gai Wines	Stamford, Ont.
June 27	Dom. Textile	Montreal
June 27	Int. Power Co.	Montreal
June 28	Mexican Lt. & Pwr.	Toronto
June 28	Paton Mfg.	Montreal
June 28	Pioneer G. M.	Vancouver
June 28	Union Gas	Chatham
June 29	Consolidated Press	Toronto
June 29	New Jason M.	Toronto

Bond Tenders

12 noon, June 21, 1951, Government of Canada Treasury Bills, payable Sept. 21, 1951, $75,000,000, Dated June 22, 1951.

Ad-Sales Clubs To Set Up Montreal Headquarters

The Canadian Advertising and Sales Federation, parent body of Advertising and Sales Clubs across Canada, will set up headquarters in Montreal with full-time secretarial and administrative assistance, effective July 1. It's Montreal's first permanent office among national advertising associations; most are in Toronto.

Decision to set up permanent headquarters was made at the Federation's annual meeting in Montreal last week. Paid secretary will be Wm. McL. Hamilton, also general manager, Advertising and Sales Club of Montreal.

Another innovation to come out of the annual meeting: Change of name from Canadian Advertising & Sales Federation to the "Federation of Canadian Advertising and Sales Clubs."

The role of advertising and sales in the defense economy came in for attention at the executives meeting which is designed to set the pattern and assist in co-ordinating Advertising and Sales Club activity.

Here's a digest of some of the addresses given at the business meeting:

* * *

N. ROY PERRY (re-elected president), research director, MacLean-Hunter Publishing Co., and business manager of Chatelaine.

The defense program has already done things to our economy.

There was an incessant demand from all classes for control of inflation. Now that we have it, we are beginning to hear loud shouts of protest and we still have not seen the full effect on consumer purchasing of credit restrictions and increased taxation.

You will perform a useful service to your members and to the country by advocating sensible merchandising policies during a period when (our defense economy) puts a crimp in consumer spending.

Let's be sane about it. We may have to work harder. Salesmen will again have to be salesmen—not order takers—and they will have to stop insulting the customers.

In some lines of business there is already a need for better merchandising, more creative salesmanship, as well as advertisements that do a selling job for those concerns who would hold their legitimate share of the market.

It is probable that during your next club year more lines of business will be affected. The situation will call for program planning by sales and advertising clubs designed to help business meet the demand for sane merchandising ideas.

One project in the works is formation of advertising clubs in the Maritime Provinces. Such a development would be beneficial to business there and would complete a coast-to-coast chain of member clubs.

* * *

HAROLD POOLE, research director and account executive, Young & Rubicam Ltd., advertising agency.

The first 15 functions of market research (according to a National Industrial Conference Board study of Major U. S. industries) in order of importance are:

New product development, analysis of consumer markets, estimating potential sales, competitive position of company's products, sales methods and distribution policies, customer preferences, market analysis by area, competitive conditions in market, improvement of present products, new uses for old products, relative profitableness of market, estimating demand for new products, market analysis by customer, distribution costs, and sales methods or devices.

Marketing research in Canada is done by individual companies, independent consultants or marketing research firms, store audits and consumer panels, advertising agencies and advertising media, and trade associations.

It has been demonstrated clearly that a manufacturer's or wholesaler's sales record is inevitably misleading because of class distribution; the firm's own records are not subject to "brand position analysis" by sufficiently refined territorial or city-wide units to be fully revealing. By measuring consumption by family or sales by retailers, accurate brand standing in the market is obtained.

I would name "brand position analysis" as the most important use of market research. Secondly, I would put "consumer surveys"—the analysis of the characteristics of the ultimate users of the products of industry.

Marketing research to be successful and to be useful should not be a one time, one shot operation, but rather should be something that becomes an integral part of a firm's operation.

* * *

RICHARD WHITE, director, Montreal Advertising & Sales Club.

The educational activities of advertising and sales clubs constitute one of their proudest achievements. Many of our good advertising agency executives, advertising and sales managers, as well as successful media salesmen develop their interest in advertising and selling and receive their basic training from educational courses organized and conducted by our clubs.

According to 22 questionnaires received from 27 sent out: seven clubs conducted advertising courses last year; 12 had sales courses; three, sales rallies; three, sales management conferences; five, public speaking courses, with an average attendance of 45 each.

Other activity: advertising clinics, letter writing courses, sales training films, club library development, public education campaigns, and vocational guidance and training.

There would appear to be acceptance of, and need for, more facilities for the education of retail sales people. As a CASF project this should appeal to all clubs.

* * *

GRAEME FRASER, Assistant general manager, Crawley Films Ltd., Ottawa, regional vice-president, Advertising & Sales Federation.

During the year two clubs were added to membership—Victoria and Guelph, Ont.

The campaign for sustaining memberships is off to a good start, numbering at present 22 members. These are:

Aluminum Co. of Canada, Montreal; Bomac Electrotype, Toronto; Borden Co., Toronto; Canadian Breweries, Toronto; Canadian Doughnut, Toronto; Christie Brown & Co., Toronto; Consolidated Press, Toronto; Crawley Films, Ottawa; Jas. Fisher Co., Toronto; Goodyear Tire & Rubber Co., New Toronto; L. J. Heagerty Ltd., Toronto; International Business Machines, Toronto; S. C. Johnson & Son, Brantford; MacLaren Advertising, Toronto; Maclean-Hunter Publishing Co., Toronto; Oneida Ltd., Toronto; Photo Engravers & Electrotypers, Toronto; Provincial Paper, Toronto; Rapid Grip & Batten, Toronto; Reader's Digest Ass'n (Canada), Toronto; Ronalds Advertising, Montreal; Southam Co., Montreal.

U. S. $ Value in Canada

Daily at Noon as Reported by The Bank of Canada

Week Ended—June 15

Mon.	$1.07	1/16	Thurs.	$1.07	4/16
Tues.	$1.07	4/16	Fri.	$1.07	2/16
Wed.	$1.07	4/16	Week's Av.	$1.07	3/16

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XXII FUR INTERNATIONAL AUCTION

The 22nd International Fur Auction will be opened in Leningrad (USSR) on the 23rd of July, 1951.

There will be exhibited a great number of different best furs.

The show of goods will begin on the 14th of July, 1951.

Firms and persons interested in receiving a complete information concerning the Auction may obtain it at the Office of the Commercial Counsellor of the Soviet Embassy to the following address: 285 Charlotte Street, Ottawa.

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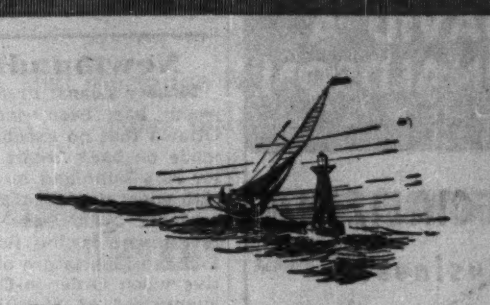

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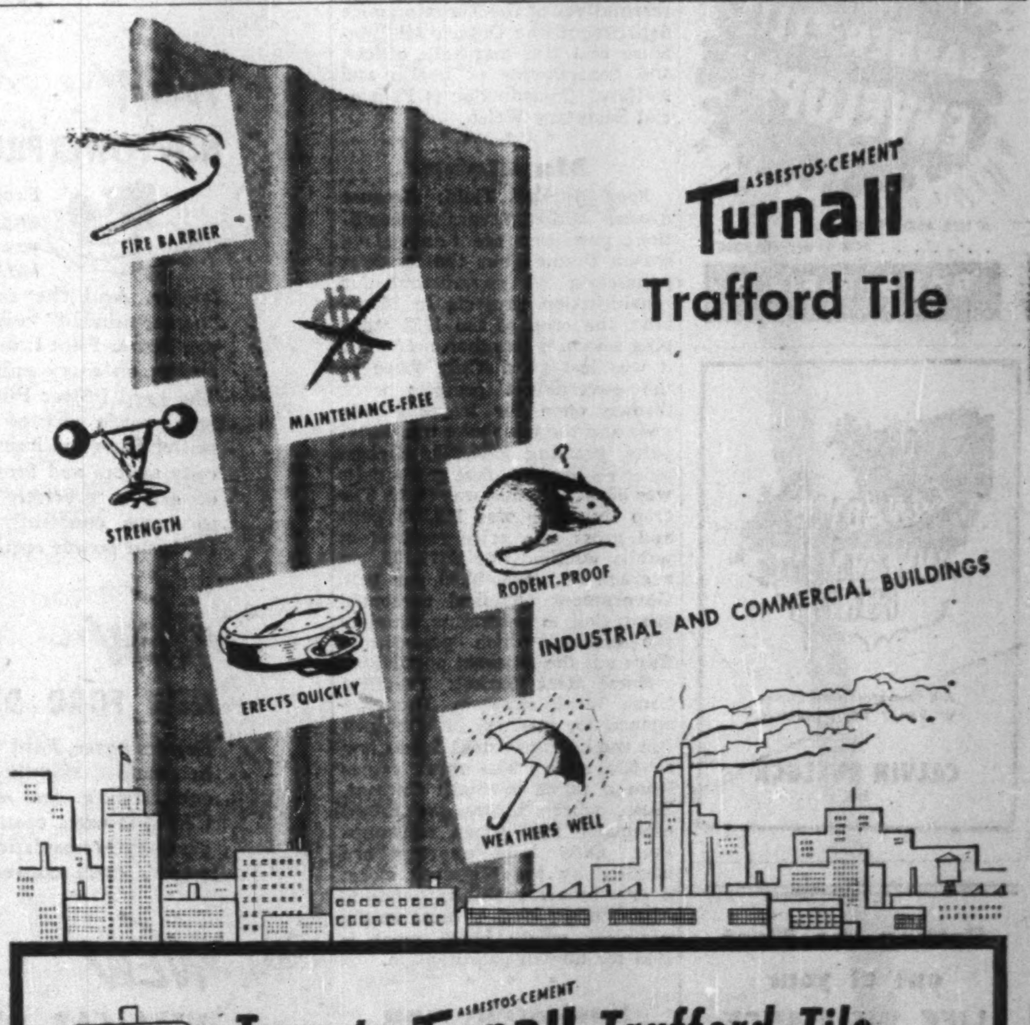

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OBASKA LAKE MINES has received payment covering May 28 option installment, of 50,000 shares at 25c, under underwriting and option agreement with Bruce Holdings. Issued, 2,927,505. In treasury, 1,072,475.

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Provincial Roundup

Significant events in public affairs and business in the Canadian provinces

Newfoundland

Fishery Loans: Premier Smallwood has been informed by Ottawa that no exception can be made on bank credit restrictions for Newfoundland in the provincial government's plan of guaranteeing bank loans for capital investment in the fisheries. He told the Legislature of the directive when Order-in-Council loan guarantees of $2,080,000 during the last fiscal year came up for approval. In the future the government's fishery development program will have to be carried out by advancing cash out of surplus or by guaranteeing company bonds of firms wishing to expand their fresh fish interests.

* * *

Nova Scotia

New Taxes: As the Nova Scotia Legislature resumed sessions last week, Premier Angus MacDonald broke the news of increased tax levies on liquor, gasoline, theatres and other amusements. Long distance telephone toll taxes will also be raised. In his budget, the Premier had predicted a deficit of nearly $1 million, taking into account a $2 million revenue from indirect sales tax which has now gone by the board. The House was adjourned two months pending possible amendment of the BNA to allow the provincial indirect sales tax. The new tax increases are expected to yield the province from $1,750,000 to $2 million. Expenditure paring is expected to save about $1.2 million. Budget estimate for the current year, starting April 1, was $40,700,000.

* * *

New Brunswick

Wharf Addition: Plans for extensive additions to facilities of Pugsley Wharf at Saint John Harbor were disclosed at Saint John last week by Donald Gordon, C.N.R. chairman and president. Construction of more than 6,000 feet of additional storage track will increase present storage space from 30 cars to 155 cars.

* * *

Quebec

Sales Tax Revenue: Montreal and the 14 municipalities under jurisdiction of the Metropolitan Commission will divide $13,996,210 as their share of sales tax collected by the City of Montreal for the period ending April 30. Share of each municipality is based on population; Montreal will get $11,615,005 of the total amount.

Montreal Population: Population of Greater Montreal, an area comprising 57 municipalities, is 1,540,000 as against 1,020,018 in 1931, according to figures released at City Hall. Population of Montreal proper now stands at 1,181,955, compared with 818,577 in 1931.

* * *

Ontario

Civil Defense: Organization of civil defense in Ontario became active last week when the first class of instructors for wardens started a four-week course at Toronto. The 13 graduates will teach civil defense work in Toronto and district and help organize corps of civil defense workers. Training is being given by representatives of the Toronto police department, the Ontario civil defense and fire marshal's offices, and departments of health and welfare. Co-ordinator is Provincial Secretary Welsh.

* * *

Manitoba

Poor Muskrat Yield: Because disease and unfavorable conditions preceding the trapping season thinned out the muskrat population on government fur rehabilitation projects in Manitoba, the crop of the 1951 trapping season is less than half what it was last year. Only three of the government projects were thrown open for trapping this year and the total take was 68,947 pelts, grossing $158,205. Highest price realized for first grade pelts was $3.40; average was $2.29. The crop last year was 165,365 pelts and gross sale price realized at public auction was $279,199, an average of about $1.69 per pelt. Government technical personnel are trying to determine cause of the disease which periodically thins out the muskrat population.

Horse Meat Market: The first horse meat store in Manitoba opened for business in Winnipeg last week, selling steak for as low as 32c a lb. The meat comes from a ranch at Swift Current, Sask., where horses are raised especially for human consumption. Only hind quarters are handled by the Winnipeg store; a city bylaw prohibits handling of any other kind of meat on the premises where horse meat is sold for human consumption.

* * *

Saskatchewan

Tax Appeal: Two sections of the provincial government's Minerals Taxation Act have been ruled ultra vires and a third, said the "chief matter of dispute" by Attorney General J. W. Corman, has been upheld by the provincial court of appeal. Decided in favor of the government and against the C.P.R. was section 3, which imposes a 3c tax per acre on owners of mineral rights in non-producing areas. Found ultra vires because they levied indirect taxation were section 6, which provides for a tax of 50c an acre on mineral and petroleum producing areas, and section 22, which imposes a tax based on assessment (not exceeding 10 mills) when producing areas have finally been assessed. Last week the government was considering an appeal relating to sections 6 and 22. Since the case began before appeals to the privy council were abolished, the appeal could go to England.

Cattle Inoculation: In the agriculture department's campaign to wipe out Bang's disease in the province, it is expected that 60,000 cattle will be tested and 25,000 calves vaccinated with Brucella abortus vaccine, according to Agriculture Minister I. C. Nollet. The program is designed to stamp out the disease in seven to eight years. Human form of the disease, undulant fever, can be contacted from drinking milk from infected cows; in the herd, the chief damage is the causing of miscarriage.

* * *

British Columbia

New Plywood Plant: H. G. Munro, vice-president and general manager of B. C. Forest Products Ltd. has announced the company's plans for a $2-million plywood plant at Selkirk Water. Its operation will be integrated with the company's big Victoria sawmill. The new mill will employ 225, have a rated capacity of 40 million sq. ft. of plywood (basis ⅜-inch thickness), which amounts to one-seventh of total production of seven B. C. plywood mills (290 million sq. ft. in 1950). Construction will start immediately on the new mill with work schedule calling for plant operation a year hence.

Oil Route: Surveying started this week of the route, via Kamloops, which Trans-Mountain Oil Line Ltd. favors for its proposed pipeline to carry crude oil from Edmonton to Vancouver. It is expected that Canadian Bechtel Corp. will spend $300,000 in the detailed survey during the next four months.

INDUSTRIAL RELATIONS

"Labor Roundup"—another Post exclusive—reports on the practical side of industrial relations week by week. Keep yourself in touch with the trend of union activity. Read The Financial Post.

BY MAIL ONLY $6 A YEAR

PERCY H. HOWARTH

superintendent of the Bank of Montreal's Ontario district for five years, has been appointed manager of the bank's main Toronto office.

Less Annuities Sold by Gov't

Annuities contracted for with the Federal Government annuities branch in 1950 under individual contracts totaled $3,807,253, about $150,000 less than in 1949, Labor Minister M. F. Gregg stated in the House of Commons in reply to a question by A. E. Catherwood. Group registration certificates at 12,965 were also lower.

As explained by Mr. Gregg, it is impossible to say the amount of annuity that may be purchased by the new employees represented by the group figures for each year.

Here are the figures supplied by Mr. Gregg:

Calendar Year	Individual Contracts $	Group Registration Certificates*
1949	3,956,357	15,234
1950	3,807,253	12,965

*These figures represent the number of new employees registered under group contracts during each of the calendar years 1949 and 1950. The amount of annuity which will ultimately be purchased by these employees cannot be determined at this time since it depends on length of service with their company, age, and amount contributed on their behalf during the period of employment. The average amount of annuity already being paid under group contracts is approximately $500.

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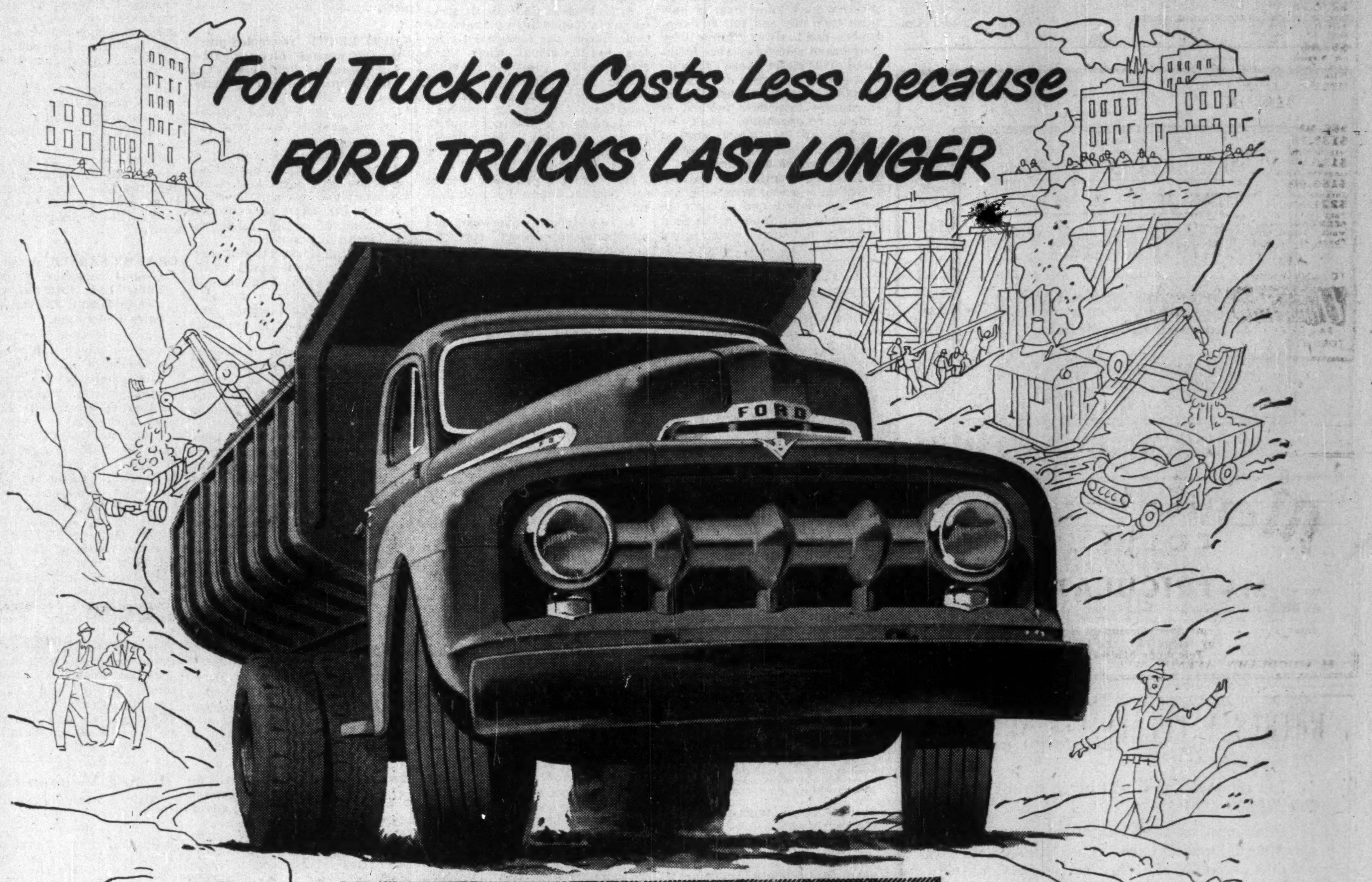
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NEW FORD DELUXE CABS

Drivers agree, Ford Cabs are out front in comfort, visibility, safety, convenience, styling. And *new* Ford DELUXE CABS, at extra cost, offer extra riding ease—extra insulation—extra appointments, extra conveniences and style.

NEW
NEW CAB-OVER-ENGINE MODELS

F-5 (2-Ton) and F-6 (3-Ton) Series, Cab-over-engine models, feature complete servicing accessibility; Spiralounge Driver's Seat; battery mounted on running board; extra-heavy front axle for extra strength, long life.

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Three great Ford Truck Engines bring you matchless V-8 performance and smoothness, with *truck-engineered* features for longer life in rugged service. Improvements in Roll-Action Steering, Gyro-Grip Clutch, Featherfoot Brakes and greater turning ease mean extra handling convenience and safety.

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- ✓ 7 SERIES RATINGS ½ to 5 tons
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Ford MONARCH

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LIST AVAILABLE UPON REQUEST

$60—5 days. Owen Sound to Sault Ste. Marie and return via Manitoulin Island, including meals and berth.

$77 up—6 days, Pt. McNicoll to Ft. William & return, including berth & all meals aboard ship, room & all meals at Royal Edward Hotel, Ft. William.

$85 up—5 days. Montreal to Halifax and Boston, including berth and meals on the popular LADY boats.

$100 up—5½ to 16 days. Montreal to Gaspe, North Coast, Magdalene Islands, St. Pierre, Newfoundland and return, including berth and meals.

$128 up—Saguenay Cruise. 7 days. Toronto & return, including 1st class rail, sleeper & chair to & from Montl., berth & meals on ship, de luxe hotel room & meals in Montreal & Quebec.

$144 up—8 days. ARISTO CRUISE, Montreal to the Saguenay and return, including berth and meals.

$160 up — 11 days. FLEURIS CRUISE, Montreal to Quebec, Anticosti, Prince Edward Island, Cape Breton and return, including berth and meals.

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$274.70—Air, Toronto to Mexico City & return. Daily departures. Extra tour if desired described below.

$53.00—6-day Mexico tour, visiting Mexico City, Guadalupe, Cuernavaca, Taxco, Hacienda Vista Hermosa. Price includes all transfers, hotel accommodation, sightseeing & many meals.

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CONSTRUCTION TRENDS

By JOHN CAULFIELD SMITH

Will School, Service Costs Hold Back Rental Housing Plan in Ontario Cities?

Two barriers appear to be standing in the way of Ontario Premier Frost's plans for a 5,000-unit rental housing scheme.

The barriers: education costs and the possibility of necessary expansion of municipal services.

"A project involving 1,000 houses would require schools for about 3,000 children," Elmer Brandon, warden of York county, pointed out. "At Ontario Department of Education standards of 28 children per room this would be at least 100 rooms or five schools of 20 rooms apiece. At the present cost of $30,000 per room this would be at least $3 millions.

"If the municipality received 32% assistance from the province, this would mean a capital cost to the municipality for schools of some $2 millions. Cost of maintenance runs from $100 to $200 per child per year, bringing annual maintenance costs to $200,000 to $400,000 net per year.

"Without assurance on education I would not recommend any municipality to go in."

On the other hand, Premier Frost is adamant in his opposition to changing present educational grants. "We are paying $50 million a year now. How much are we expected to do?" he asks.

On the problem of municipal services, opponents point out the cost of servicing land, as referred to in the legislation, only means the cost of bringing services to the project from the nearest point at which they are already installed. Extension of water and sewerage facilities might mean expansion of the whole municipal plant, with consequent heavy capital investment.

Windsor's board of control has voted to make that city the first to accept rental housing under the premier's terms. It approved a 300-house plan.

Gist of Scheme

What did Premier Frost propose? Simply that Section 35 of the National Act, introduced two years ago, be used to spark a "pilot" rental housing scheme consisting of 5,000 units. (If successful, the program could be expanded to 25,000 units).

Projects of the type proposed are already in operation in Newfoundland and British Columbia. More are mooted by other provinces.

The Ontario scheme offers rental dwellings to various cities and towns throughout the province, on the basis of one for every 500 of population. For example, Toronto would get 2,000, Hamilton 500, and London 250. Projects are not to be undertaken in less than 40 units—in other words, in cities of less than 20,000 population—at present. This would mean it would be some time before small municipalities, like Fort Erie with 15 houses assigned to it, could participate.

Emphasis is laid entirely on local initiative in getting the plan rolling. The city or town desiring to obtain its quota of houses must apply to the provincial Department of Planning & Development, stating the number and type of units proposed and their approximate cost, the location and cost of available land, the cost of servicing it, the taxes expected, and the availability of schools.

No Materials Priorities

If the Department and Central Mortgage & Housing Corporation (acting for the Federal Government) approve the application, the municipality sets up a housing authority to manage the project, and CMHC calls for tenders and supervises construction, using local contractors wherever available. No priority assistance is offered in obtaining scarce building materials and equipment.

The Federal Government pays 75% of the capital cost, and the province pays 25%. Premier Frost passes some of the province's share on to the municipality, so that the province pays only 17½%, and the municipality makes up the other 7½%. The latter amount is about enough to cover the cost of installing such services as water and sewer mains and roads.

Consent of the ratepayers is not required before the municipality can commit itself to paying the 7½% share assigned to it, according to Mr. Frost. Approval by the municipal council and the Ontario Municipal Board is sufficient.

Each of the proposed dwellings would contain two or three bedrooms, will cost an average $9,000 (this figure for a detached house on a serviced lot indicates minimum standards) and rent for about $60 per month. Rent covers amortization over a 50 year period, plus annual taxes (at full, not a nominal prescribed rate), maintenance and management costs.

Who will occupy the houses? There is no veterans' preference. Tenants must have children, and will be chosen from those with monthly incomes of not less than four times and not more than six times the monthly rent. This is expected to mean families with weekly wages of $45 to $65. (It is a rule of thumb that one month's rent should be paid for by one week's wages. Average industrial wage in Ontario is $50 per week).

Rents are not to be subsidized, although Section 35 provides that operating profits or losses may be shared by the federal and provincial governments in the same proportion as the capital costs.

The idea is to ultimately sell the houses, with the tenants probably being given the privilege of "first refusal."

Toronto's Problem

Toronto poses a special problem. It has practically no land on which to build except 87 acres of rifle range property it owns at Long Branch. This area would provide a site for 435 of the 2,000 houses the city has been allotted.

A CMHC official states that ownership of land within its boundaries is not a prerequisite to a municipality obtaining a rental project under the Frost plan, but it would be difficult for Toronto to administer a housing project outside its political boundaries. In the past, the suburbs weren't too anxious to bear the cost of supplying services and schools for Toronto people, while the city proper continued to get the lion's share of new industrial development.

New C.P.R. Vessel For Vancouver Run

From Our Own Correspondent

VANCOUVER—British Columbia's prettiest princess goes into service on the Vancouver-Vancouver Island run on June 27.

She is the CPR's SS Princess of Nanaimo, a trim, specially-designed vessel just arrived from Scotland, that will handle a portion of the rapidly growing traffic between Nanaimo, on the east coast of Vancouver Island, and Vancouver.

The ship is of 6,800 tons displacement, cost approximately $4.5 millions. It has a capacity of 100 cars and 1,500 passengers and a service speed of 18½ knots.

A vast business, industrial and tourist growth on Vancouver Island has required a big step-up in service on the run to the mainland in the past few years.

Barcelona Fight Still On

Confusion was general this week over a dispatch from Madrid which talked about Barcelona Traction—but not confused was J. Grant Glassco, receiver and manager of the company for the Supreme Court of Ontario.

The Spanish Cabinet Minister had said Spain, Britain and Canada had reached an agreement which absolves the Spanish Government of charges that it forced the Canadian corporation, Barcelona Traction, Light & Power Co. into bankruptcy.

He added that by this accord was recognized the "absolute reason and justice of the Spanish Government's position" when it opposed transfer of all assets, asked by companies grouped under Barcelona Traction.

But this is not the main issue in the long drawn-out thorny Barcelona proceedings, which started early in 1948 when Spanish courts declared the company and its subsidiaries bankrupt and appointed receivers to take over the assets. The main issue still being contested, is the legality of the seizure.

Here is what Glassco has to say by way of explanation.

"The dispatch has reference to the refusal of Spain to grant the foreign exchange needed for service of sterling bonds of Barcelona in the years before the bankruptcy declaration against Barcelona in Spain. It does not deal with the important issue involved, which is the legality of the seizure in Spain of the assets of Barcelona's subsidiaries which, of course, is being contested."

Juan March, Spanish millionaire financier, who owned majority of company's bond obligations was said to be the main factor in forcing the bankruptcy move.

NOTICE OF FINAL DISTRIBUTION

to the holders of the
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of
GORDON, IRONSIDE & FARES COMPANY LIMITED

The Canada Trust Company, successor trustee under Indenture dated the 12th day of September, 1912, between Gordon, Ironside and Fares Company, Limited of the First Part and The Standard Trusts Company, Trustee, of the Second Part HEREBY GIVES NOTICE that all of the assets of Gordon, Ironside and Fares Company, Limited which came into the possession of The Canada Trust Company, as trustee aforesaid, or into the possession of its predecessor trustees under the terms of said Indenture have been liquidated;

AND FURTHER GIVES NOTICE that upon presentation and surrender for cancellation at the office of The Canada Trust Company, 232 Portage Avenue, Winnipeg, Manitoba during ordinary business hours from and after the date hereof of 6% First Mortgage Fifteen Year Sinking Fund Gold Bonds of Gordon, Ironside and Fares Company, Limited, accompanied by duly completed Lodgment Form, The Canada Trust Company, as Trustee aforesaid will pay to the respective holders of such bonds, pursuant to the Order of Mr. Justice Campbell dated the 7th day of May, 1951, a final distribution of 8.1% of the principal amount of bonds so presented;

AND FURTHER GIVES NOTICE that on or after the 1st day of December, 1951, The Canada Trust Company will make application to a judge of the Court of King's Bench of Manitoba for authority to pay into court any monies then remaining in the hands of The Canada Trust Company, as trustee aforesaid.

DATED at Winnipeg, in Manitoba, this 31st day of May, 1951.

THE CANADA TRUST COMPANY,
Trustee.

Note: Lodgment forms are obtainable upon application to The Canada Trust Company, 232 Portage Avenue, Winnipeg, Manitoba.

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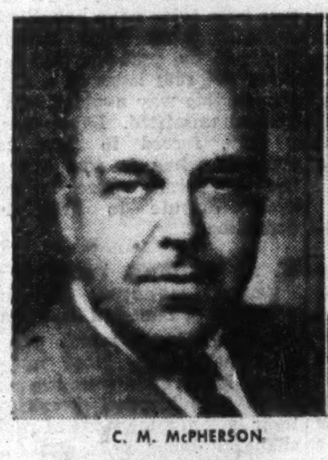
RELIANCE APPOINTMENTS


C. M. McPHERSON

A. E. REID

H. J. MELLEN

E. S. McDIARMID

Reliance Petroleum Limited announces four new appointments. Mr. C. M. McPherson, General Sales Manager, has been elected a Director of the Company. Mr. E. A. Reid, Company Solicitor, has been elected Secretary of the Company. Mr. H. J. Mellen, formerly London Divisional Manager, has been promoted to Director of Retail Sales. Mr. E. S. McDiarmid, formerly Wholesale Sales Manager of London Division, has been promoted to Acting Divisional Manager London Division.

*

COMPANY REPORTS

To assist readers in appraising and comparing company financial statements, The Financial Post has a uniform method of presenting corporation accounts. Variations from the companies' published reports are footnoted.

CHATEAU-GAI WINES LTD., Niagara Falls, Ont., consolidated net profit for year ended April 30, 1951, was $91,643, up 0.2% from previous year's $91,495.

Company's gallonage sales showed "a most substantial increase," says President A. G. Sampson. "This is very gratifying, especially when the Canadian wine industry as a whole showed only the smallest increase in gallonage sales."

Net profits did not increase in the same ratio as gallonage sales due to an unstatisfactory price condition in the industry during the first eight months of the fiscal year, he says.

Relief is being sought from discrimination which exists against Canadian wines by reason of excise rates relative to levies on imports, Mr. Simpson says.

CONS. INCOME ACCOUNT

Years Ended Apr. 30:	1951	1950
Net earnings	$198,805	$175,561
Less: Deprec.	24,330	26,402
Income taxes	82,832	57,664
Net profit	91,643	91,495
Less: Dividends	85,500	85,500
Surplus for year	6,143	5,995
Earnings per Share and Dividend Record:		
Common	$0.80	$0.80
Paid	0.75	0.75

CONDENSED CONS. BALANCE SHEET

As at Apr. 30:	1951	1950
Cash	$9,473	$12,801
Accts. rec.	205,442	139,624
Inventories	905,782	919,336
Total curr. assets	1,120,697	1,071,761
Misc. assets•	69,374	62,985
Fixed assets*	428,947	444,137
Total assets	1,619,018	1,578,883
Demand loan	70,000	80,000
Accts., tax., etc., pay.	152,771	108,779
Total curr. liab.	222,771	188,779
Capital stock	1,071,327	1,071,327
Earned surplus	324,920	318,777
*After deprec. of	541,405	519,174
•Incl. ref. EPT	8,602	14,133
Working capital	897,926	882,982

ROBIN, JONES & WHITMAN LTD., Halifax, net profit for the year ended Feb. 28 was $52,332, up 31% from net of $39,917 in previous fiscal year.

Out of profit a dividend of 3% was provided for and paid on April 24, 1941, which takes care of the dividends on preference stock up till Sept. 30, 1951, inclusive, states President A. N. Jones.

Store sales of general merchandise were less than year before because fishermen, the main customers, had smaller catches of fish.

The fish exporting business, however, was better, in part due to the Italian Government allotting Canadian dollars for purchase of Gaspe cured codfish. Similar arrangements have been made for this year.

Annual meeting will be June 29.

INCOME ACCOUNT

Years Ended Feb. 28-29:	1951	1950
Net earnings	$134,518	$115,228
Less: Bond int.	......	6,754
Depreciation	47,435	47,934
Inc. tax res.	34,751	20,623
Net profit	52,332	39,917
Less: Pref. divds.	25,440	50,880
Surplus for year	26,892	•10,963
•Deficit.		
Earnings per Share and Dividend Record:		
Pref.: Earned	$6.17	$4.71
Paid	3.00	6.00
Com.: Earned	0.26	d1.95
None paid.		

CONDENSED BALANCE SHEET

As at Feb. 28-29:	1951	1950
Cash	$72,801	$83,602
Accts. rec., etc.	157,666	117,225
Inventories	832,376	797,457
Total curr. assets	1,062,843	998,284
Misc. assets	8,422	8,422
Fixed assets	721,728	720,305
Total assets	1,792,993	1,727,011
Bank loan	284,271	276,239
Accts., tax., etc., pay.	149,627	116,405
Total curr. liabs.	433,898	392,644
Special bk. loan	87,000	......
Funded debt	......	111,933
Deprec. res.	189,110	174,906
Other res.	10,000	10,000
Capital stock	876,140	876,140
Surplus	196,845	161,388
Working capital	628,945	605,640

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WOLSEY HALL, HAMILTON

MONETA PORCUPINE MINES reports a breakup value of $1,957,731, or 77c a share, at March 31, 1951, taking investments at market value and allowing for current liabilities. This includes $581,013 book value of investments in associated companies which the company does not show in current assets.

There was a loss of $52,040 in the latest year ($93,425 in the preceding year).

An active exploration program was pursued during the period with participations taken in numerous projects. Interests were taken in a number of prospecting syndicates but no discoveries of importance were reported. The participation in Kasba Explorations was continued. This company, operating in the Northwest Territories, made several gold discoveries.

In partnership with another mining company, Moneta staked 14 claims in Jordan and Drayton twps., Ontario, covering a low grade gold discovery. Results on a number of Quebec properties and the Donovan twp. property in Ontario were disappointing but further work is planned in Desjardins twp., Quebec.

Interests are continued in Dominion Magnesium, Buffalo Ankerite and Isle of Pines. A small participation is reported in Dome Exploration (Western).

INCOME ACCOUNT

Years Ended Mar. 31:	1951	1950
Oper. exps.	$72,519	$115,719
Less: Invest. inc.	20,479	22,294
Net loss & deficit	52,040	93,425
Earned per Share	d$0.020	d$0.037
None paid.		

CONDENSED BALANCE SHEET

As at Mar. 31:	1951	1950
Cash	$292,490	$144,801
Accts. rec.	3,698	21,066
Bonds & stocks*	447,543	717,525
Total curr. assets	743,731	883,392
Mtge. rec.	5,000	5,750
Prep. chgs.	479	684
Inv. assoc. cos.	581,013	478,335
Properties	1,008,432	1,008,432
Plant & equip.•	4,553	4,689
Total assets	2,343,208	2,381,282
Accts. & tax. pay.	2,088	1,729
Divds., etc., pay.	4,213	4,258
Total curr. liab.	6,301	5,987
Capital stock	1,686,969	1,686,969
Capital surplus	487,372	473,719
Earned surplus	162,566	214,607
•After depr. of	16,518	16,291
*Market value	492,852	711,519
Working capital	737,430	877,405

INGRAM & BELL LTD. net profit for year ended March 3, 1951, was $146,476, compared with net of $150,898 for year ended Feb. 28, 1950.

Operational results "may be considered very good indeed" in view of increased taxation, allocation of essential materials and re-imposition of many controls, says President C. C. White. Sales volume increased by 5.5%.

Because of world conditions and fluctuation of exchange rates and increased inventory the company is carrying, the directors transferred a further $50,000 to the reserve fund. After doing this and paying $27,624, $68,086 remained for transfer to earned surplus.

To protect the company for future plant expansion, property adjacent to the Toronto factory was bought.

"There seems reasonable ground to expect a further increase in sales but, with the full impact being felt of increased taxation together with sharply increased costs, the high point of profits may have been passed until . . . . we are able to once more operate in a 100% peacetime economy" says President White.

INCOME ACCOUNT

Years Ended:	Mar. 3 1951	Feb. 28 1950
Net earnings	$298,974	$282,493
Less: Deprec.	} 152,498	} 36,274
Inc. taxes	}	{ 95,321
Net profit	146,476	150,898
Less: Pref. divd.	27,624	28,488
Surplus for year	118,852	122,410
Earnings per Share and Dividend Record:		
Preferred	$31.74	$31.71
Paid	6.00	6.00
Common	22.76	23.44
None paid.		

CONDENSED BALANCE SHEET

As at:	Mar. 3 1951	Feb. 28 1950
Cash	$21,855	$21,388
Accts. rec.	614,160	548,441
Life insur.—c.s.v.	20,459	18,768
Inventories	803,084	661,818
Total curr. assets	1,459,558	1,250,415
Misc. assets	6,215	3,736
Fixed assets*	399,514	377,842
Total assets	1,865,287	1,631,993
Accts., etc., pay.	309,109	280,998
Taxes pay.	70,171	59,770
Total curr. liabs.	379,280	340,768
Deferred liabs.	300,000	190,000
Reserve fund	200,000	150,000
Capital stock	466,722	481,122
Earned surplus	519,285	470,103
*After depr. of	334,354	302,855
Working capital	1,080,278	909,647

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Rev. C. W. Sowby, M.A., *Principal*

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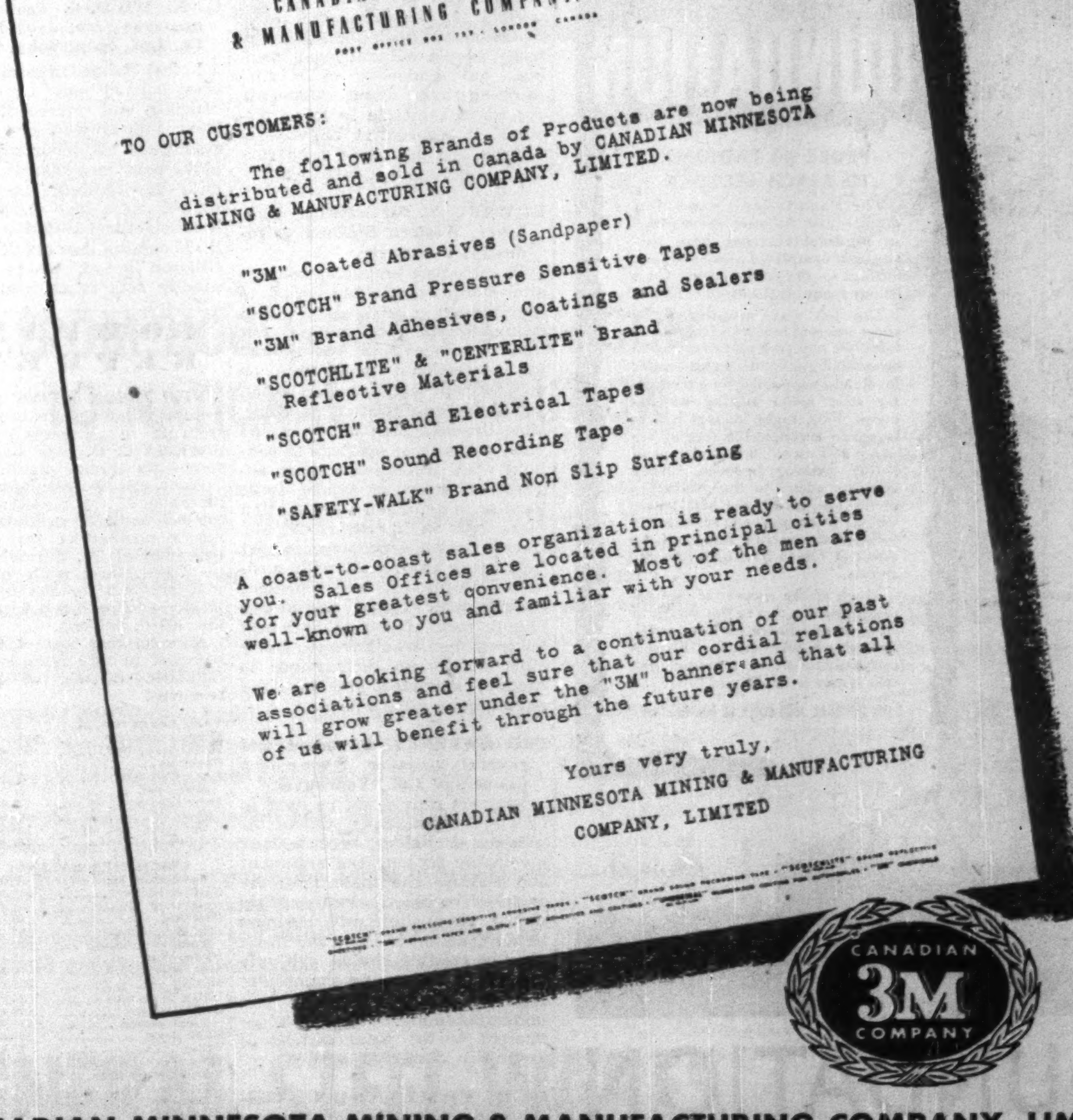
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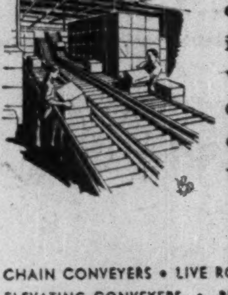

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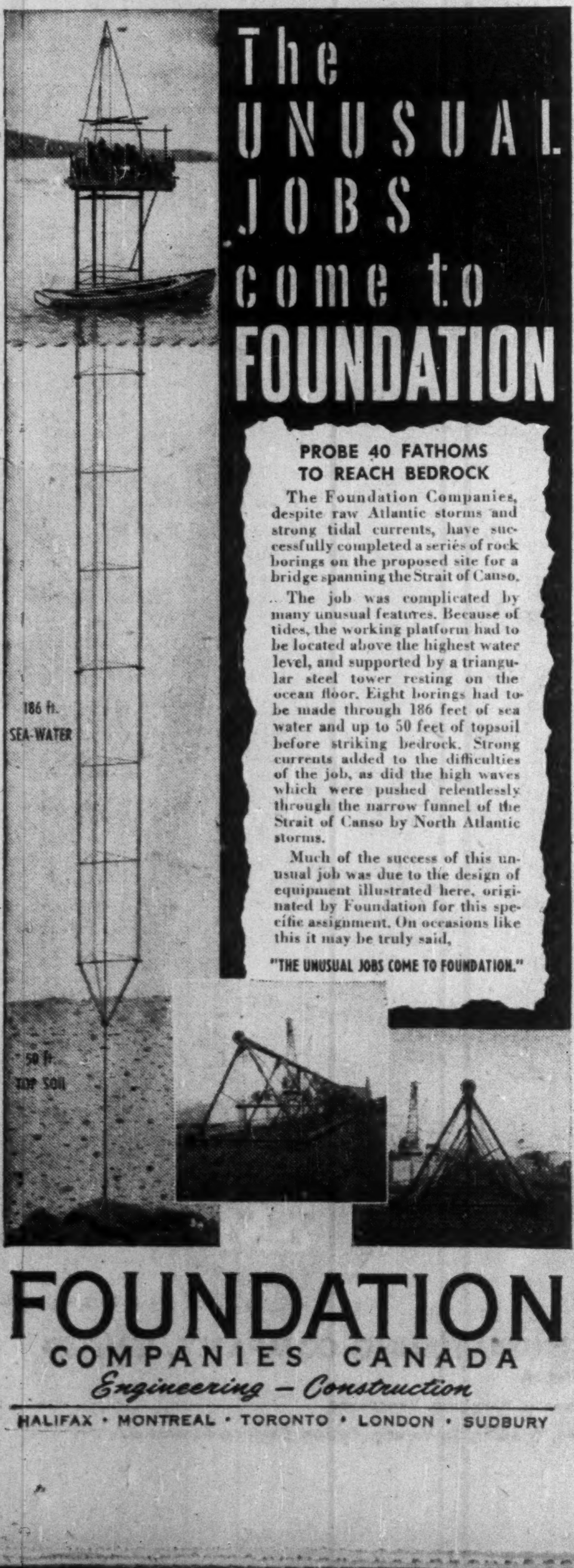

The UNUSUAL JOBS come to FOUNDATION

PROBE 40 FATHOMS TO REACH BEDROCK

The Foundation Companies, despite raw Atlantic storms and strong tidal currents, have successfully completed a series of rock borings on the proposed site for a bridge spanning the Strait of Canso.

The job was complicated by many unusual features. Because of tides, the working platform had to be located above the highest water level, and supported by a triangular steel tower resting on the ocean floor. Eight borings had to be made through 186 feet of sea water and up to 50 feet of topsoil before striking bedrock. Strong currents added to the difficulties of the job, as did the high waves which were pushed relentlessly through the narrow funnel of the Strait of Canso by North Atlantic storms.

Much of the success of this unusual job was due to the design of equipment illustrated here, originated by Foundation for this specific assignment. On occasions like this it may be truly said,

"THE UNUSUAL JOBS COME TO FOUNDATION."

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Use Lawyers in Labor Negotiations?

The Question: Toronto industrialist opposes use of lawyers in labor negotiations. What are your views?

The majority of replies agreed that lawyers should have no place on collective bargaining. In that, they agreed with D. W. Ambridge, president of Abitibi Power & Paper Co., who told a union conference in Toronto recently that "lawyers can't help solve our collective bargaining problems. I have no use for lawyers in collective bargaining on either side. We are there to solve a problem, not win an argument."

Some opinions, from both management and labor, favored including the lawyers, management expressing the view that a top executive could not possibly keep up with the developments in the labor relations field.

Others felt that if lawyers are going to be banned from employee-management negotiations, then the professional labor leader should also be banned.

EDWARD CALLAN, Business Representative, I.U. of O. Engineers, Victoria.

The object of labor negotiations is to arrive at a mutually satisfactory agreement. There must be a determined effort at conciliation with a certain amount of give on both sides. Lawyers quite properly endeavor to win a case for their clients. Experience has shown that these two objectives are not both attainable. Neither side can win. Both must compromise. The use of lawyers induces legal battles which ignore the human equation and prolong negotiations unnecessarily with consequent expense and dissatisfaction. The introduction of lawyers by employers invariably stiffens the attitude of employees and creates an atmosphere in which conciliation is difficult; at best becomes much more difficult.

* * *

PROF. J. C. CAMERON, Department of Industrial Relations, Queen's University, Kingston.

Many people will, I feel sure, disagree with Mr. Ambridge. There are many lawyers who are well qualified to negotiate in labor matters. Legal training is not necessarily an impediment. A legalistic attitude on the part of a negotiator towards all problems of human relations can and does often result in a deadlock. I have, however, sufficient faith in lawyers to believe that the majority of them know when to compromise and when to engage in mental gymnastics.

* * *

D. L. G. JONES, barrister, Hamilton.

There would be little call for the services of lawyers in labor negotiations if the employer and his employees were left to negotiate their differences without the intervention of the international trade unions. Since the impact of labor was felt in Canada at the close of the 19th century, the international trade unions have made tremendous strides and are represented at the bargaining table today by highly trained technicians. If management is to preserve its functions and safeguard our system of free enterprise, it has no alternative but to retain the services of persons equally as familiar with our labor laws and the art of negotiating.

* * *

OSWALD MAYRAND, Editor, La Patrie, Montreal.

Why should lawyers be systematically excluded from labor negotiations? Natural and civil laws are the basis of equity and justice, while our magistracy is made up of lawyers, that is to say of men who have been specially trained for the intelligent interpretation of laws. So, although many people without legal training, but endowed of right thinking and sound judgment, are fit to arbitrate in labor disputes, it would not be wise to despise and put aside, as a rule, the co-operation of lawyers.

* * *

HOWARD T. MITCHELL, Publisher, Western Business & Industry, Vancouver.

To introduce practicing lawyers into labor negotiations prior to conciliation or arbitration would ordinarily be bad policy, but legal training as a background for professional negotiators on management side would be an additional qualification of value. Most business men have not the time, patience or aptitude to contend with professional labor negotiators, some of whom have legal training, when a negotiation turns into an industrial dispute. Lawyers with experience in that field often team well with business executives to represent management. Labor negotiators like to meet, frustrate and beat business men who have too many other affairs on their minds to conduct extended and involved negotiations satisfactorily.

* * *

LEO SWEENEY, President and general manager, Sweeney Cooperage Ltd., Vancouver.

Lawyers should not be used in labor negotiations unless as referees or judges, because they invariably prolong the argument and confuse the main issue by useless verbiage. Industrialists should know their own business better than anyone else and if not already capable should cultivate the art of expressing themselves clearly, briefly, forcibly and understandingly. Why not go straight to the point instead of around in circles?

* * *

G. H. TOMLINSON, Vice-president and director, Howard Smith Paper Mills Ltd. Montreal.

As in all human relations, wisdom and a knowledge of human nature are desirable attributes in one having to do with labor negotiations. They are not, fortunately, the exclusive possessions of the legal professions. In fact, because of their tendency to adopt a legalistic approach, they often create more problems than they resolve. There are probably lawyers who are happily married but even they would not claim that their success in this relationship is attributable to their knowledge of the law. Like war and divorce, in other spheres the law should be the last resort in industrial relations.

* * *

J. S. VANDERPLOEG, General Manager, and director, Anaconda American Brass Ltd., New Toronto.

This is a matter for individual decision according to circumstances. We do not ourselves utilize services of lawyers in actual negotiations, but they naturally assist in framing any necessary formal agreement.

* * *

JACQUES VERREAULT, News Editor, Action Catholique, Quebec City.

Labor should be directed to discuss its own problems with industrialists without interference from outside. There is no doubt that both sides have benefited or suffered from legal entanglements in the past and that many times the real issue of a dispute was in this way avoided and remained unsettled. Labor was, in a way, forced to have legal counsels when it was apparent the companies were referring every dispute to their legal department.

* * *

W. A. WECKER, President and general manager, General Motors of Canada Ltd., Oshawa.

Trained legal minds can be most helpful in labor negotiations. Many employers are sometimes handicapped because of their lack of knowledge of rapidly changing labor laws and conditions. To be represented by advocates skilled in the interpretation of such points is obviously helpful to those whose arduous managerial duties do not leave them time to keep abreast of all the changes in such a specialized field.

* * *

J. G. WHARRY, Vice-president, and director Quaker Oats Co. of Canada, Peterborough.

If either labor or management have to employ lawyers in their negotiations, they must feel that they are in a very weak position. There should be no more need for a lawyer in labor management negotiations than in a family conference.

* * *

C. N. WILSON, President and manager Saint John Dry Dock Co. Ltd., Saint John, N.B.

I feel labor negotiations are best carried out by company officials and representatives of labor unions who are company employees. If labor unions employ paid organizers to assist with negotiations, the company should use a lawyer to assist it, if officials feel situation warrants it. If negotiations result in a conciliation board, where a judge usually acts as chairman, I feel a lawyer then should represent the company if desired. Unions usually employ paid organizers who are able debaters and have had more experience in labor negotiations than average company officials. Initial negotiations can best be carried on by representatives of union and company who have intimate knowledge of company affairs.

* * *

J. C. WILSON, Vice-president and director, Thompson Products Ltd., St. Catharines.

In labor negotiations those participating should be familiar with all aspects of the situation and should approach the matter with a desire to give and take. Lawyers generally would not be familiar with the situation under discussion unless employed full time by either side, and by virtue of either being employed temporarily or otherwise by one or both of the negotiating parties could not give unbiased opinions.

* * *

O. F. YOUNG, Editor, News-Chronicle, Port Arthur.

Theoretically, it is admirable that two sides of any problem, labor or otherwise, should talk it out between themselves, but if one happens to be a skilled and experienced expert and the other a novice it is not so good. The principle of expert advice and assistance is applied to most phases of modern life and the man who feels he needs it should not be deprived of the privilege. Suitable in some instances, it would be impracticable to give the proposal general application. Each case would have to be judged on its own merits.

* * *

DUDLEY S. YOUNG, Vice-president, Powerlite Devices Ltd., Toronto.

I consider it most important in labor negotiations to bring the representatives of labor and management together with a minimum of outside intermediaries, and include both lawyers and professional labor organizers in this group. Both in their own different ways tend to deflect a direct approach to the problems at hand. An examination of companies enjoying good labor relations will reveal in most cases bona fide collective bargaining between management and employee representatives without outside assistance. Confidence in the integrity and sincerity of the negotiators is essential on both sides if an equitable and lasting solution is to be reached within a reasonable period of negotiation.

COMPANY REPORTS

NEW JASON MINES' future depends on finding new ore bodies or securing a property elsewhere, president C. O. Stee states in the company's annual report.

Plans call for diamond drill exploration of the porphyry zone at the 900- and 1,000-ft. horizons. Drilling is planned of the downward extension of No. 5 vein mined on the 700-ft. level while other holes will prospect for the upward extension of Nos. 4 and 6 veins above the 700-ft. horizon.

An operating loss of $9,469 was recorded in 1950 after inclusion of estimated cost-aid of $82,000 in revenues.

INCOME ACCOUNT

Years Ended Dec. 31:	1950	1949
Bullion recovery	$493,475	$241,185
Less: Oper. exp.	585,455	252,625
Oper. loss	91,980	11,440
Add: Cost-Aid	82,000	33,593
Misc. inc.	510	619
Less: Loss on sl. of f.a.	3,017	......
Depr.	83,448	21,773
Dev. exp., etc., w/o	145,527	74,532
Net loss & deficit	241,462	73,533

CONDENSED BALANCE SHEET

As at Dec. 31:	1950	1949
Cash & bullion	$43,327	$22,868
Accts rec.	472	2,435
Cost-Aid asst.	40,140	33,593
Mat. & supplies	107,168	108,047
Total curr. assets	191,107	166,943
Hydro dep.	17,070	17,070
Misc. assets	6,877	14,408
Mining cls.	227,492	227,492
Bldgs. & equip.♦	224,053	278,834
Def. dev., etc.	1,049,825	1,195,352
Total assets	1,716,424	1,900,099
Bank loan	125,675	80,654
Taxes	10,875	......
Other curr. liabs.	41,642	47,221
Total curr. liabs.	178,292	127,875
Conting. res.	......	7,533
Capital stock†	1,907,814	1,885,469
Less: Deficit	369,682	120,778
♦After depr. of	610,425	530,258
†After stk. disc.	1,541,854	1,470,098
Working capital	12,815	39,068

OPERATING STATISTICS

	1950	1949
Tons milled	38,654	13,508
Average recovery	$12.77	$17.85
Ore reserves, tons	14,360	10,000
Grade ($35 gold)	$13.65	$17.15

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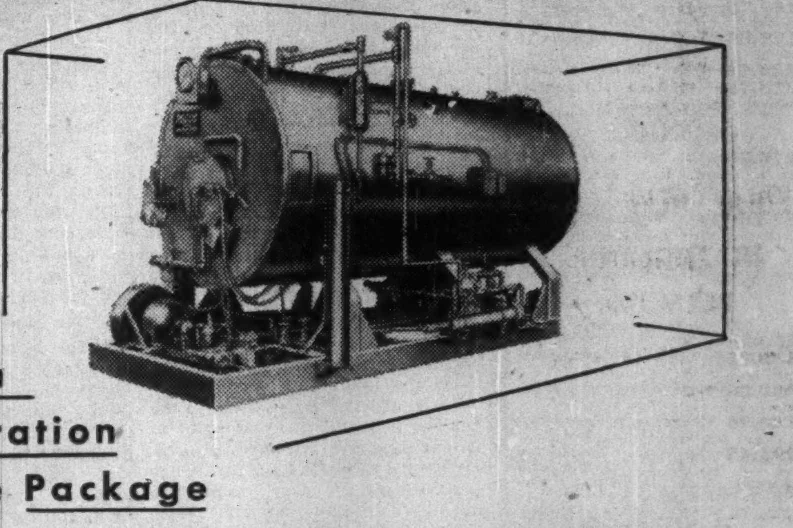

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How Cost Control Accounting Can Cut Waste

Here's Modern Bookkeeping With a Business Objective

Efficient control of costs may mean the success or failure of a business, good profits or poor returns. How cost control accounting can help sales managers, production men and other executives was described by A. Stuart Hallamore recently before the annual conference of the Society of Industrial and Cost Accountants in Ontario. He's general manager of New Idea Furnaces, Ltd., Ingersoll, Ont., and a veteran cost accountant. Here's a digest of Mr. Hallamore's address:

By A. Stuart Hallamore

Fully half the time spent on cost accounting work is completely useless because it serves no business objective.

In a general way, the main danger in a large company would seem to be that of doing too much useless work, whereas in a small organization, the tendency would be toward doing insufficient analysis in relation to the profit-making potential of the work incurred.

The main purposes cost accounting serves are:

—Control of costs

—Setting of selling prices and the direction of management attention to the most profitable type of sales.

—The valuation of inventory.

—Forecasting of future operation results.

—The attainment of the above objectives at as low a cost as possible.

Causes of Waste

Major causes of wastefulness are:

1. Splitting up monthly overhead expenses such as taxes on buildings over manufacturing departments and product groups does not permit anyone to reduce such taxes. Therefore it does not aid in controlling expense.

2. Statements are issued without any comparison either with preceding periods or with budgets. Without a comparison, there is no way of determining whether it is good or bad.

3. A great deal of cost work is directed toward the accumulation of figures which are so trivial that the cost of accumulating the results exceeds any possible saving.

4. Many cost statements contain distortions which obviously must be explained. The cost accountant should state the cause of the result, so that management is in a position to take action when they receive the statements.

5. The major source of waste lies in the practice of recording and copying figures that have no significance from the standpoint of taking business action. This, to my mind, is the most wasteful practice in existence today. Its elimination lies in a study of recording only figures about which something can be done. The railways and large financial institutions in recent years have been eliminating the cents in their statements — so-called "centsless accounting." Subdivision of expense and revenue accounts were maintained in dollars only.

Keeping Down Costs

Statements of unused capacity will be useful in a small plant, as well as a large one, to direct management attention to the need for obtaining products which will earn substantial overhead without causing the more severe disruption necessary to operate on two shifts instead of one.

If the manufacturing operation involves a potential loss due to extreme difficulty in manufacturing from 25% to 50% of the material going into the product, then exhaustive analysis of the causes of scrap losses will be well worth while.

Because of failure to purchase stock, or poor stock handling, an expensive substitute material may have to be used in place of a more economic one. Where the potential losses are great, track down the causes and institute proper remedial steps.

You should record the preliminary setup time at the beginning of runs, or account for such time along with the regular operating time. The importance of the setup time in relation to the total is the dominating factor.

Setting Selling Prices

The allocation of costs for the purpose of setting selling prices differs from cost control. We must adopt a long-range view so that average results as to quantity of material, labor hours and overhead will be obtained.

The alert cost accountant will be aware of the costliness of selling goods in a distant territory when the company must absorb the freight.

He will also be careful to see that the sales department is not loaded with a number of low-volume customers. The accompanying credit, advertising and other costs which occur only once for each customer can make such an activity quite unprofitable.

Sales to an entire territory may be unprofitable because of either the sale of unprofitable items or because of high expense.

No set rule can be applied, but the nature of the individual business and the size of transactions in relation to the cost of making an analysis will be determining influences.

Inventory Valuation

Great accuracy in determining inventory values is neither possible nor particularly desirable.

A small company, with closer supervision of stocks on hand of a direct nature, may use the old-style practice of using profit percentages on sales based on cost estimates and past experience as a means of reducing sales to a cost figure from which residual inventory values may be determined.

In forecasting, the use of flexible budgets seems just as desirable in small as in large companies. It is an excellent means of control, and the preparation of "break-even point" figures is an exercise that should be done in all companies.

In merchandising, the cost accountant should know from his breakdowns of fixed and variable costs which lines yield the company the greatest marginal profit. When he directs attention to such items, sales management can concentrate selling efforts on these.

Under today's conditions, where supply is the limiting factor, management might, as a result of a study of fixed and variable costs and marginal profits, decide to concentrate its limited supplies on lines which yield the greatest profit.

On the other hand, conditions might be such that selling prices could be adjusted so as to make the same marginal profit on all lines so that roughly the same balance of production would be maintained.

The cost accountant who shows his management where the limited available supplies could be sold to best advantage will be living up to the highest standards of his profession.

Staff Relations as a Cost Element

If those responsible for a particular set of duties were forced to reach their own conclusions about every problem within their jurisdiction before asking approval or advice from their immediate superior, it would release time for more important functions.

It will be a great day when people are doing what they want to do instead of what they are told to do. Until such time as we allocate a portion of our time to finding out what our associates are like, and what they are trying to do, our productivity and our standard of living will fall far below its possible limits.

STANDARD BRANDS APPOINTMENTS ANNOUNCED

GERALD J. BURKE JOHN A. BROWN

Mr. Charles Cassie, President of Standard Brands Limited, announces the appointments of Messrs. Gerald J. Burke as Comptroller and John A. Brown as Assistant Secretary. Both Mr. Burke and Mr. Brown were previously Assistant Comptrollers and each has had more than 20 years of service with the Company. *

DOMINION STEEL & COAL CORP. report that a total of 211,964 6% cumulative preferred shares of Dominion Coal Co. are presently outstanding. In December, 1950, 2,705 shares were cancelled under sinking fund requirements.

DAVID & FRERE LTD. reports that another 115 class "A" shares have been purchased for treasury account, making 21,199 shares outstanding and 1,801 in the treasury.

Fishermen, Merchants Still Undecided On Fish Prices, Govt. Support Asked

By RUPERT JACKSON

ST. JOHN'S — Fishermen and fish merchants in Newfoundland at this writing had failed to agree on opening prices for salted codfish during the coming season. The merchants offered $10.25 cwt. and the fishermen refused anything below $11 cwt.

Premier Smallwood in a government statement said, "The Government is aware that there are only about 12,000 quintals (112 pounds) still left unsold from last year's catch, whereas a year ago there were over 200,000 quintals still left unsold from the year before. Not very often in the past at this time of the year was Newfoundland so bare of unsold fish as she is at this moment. The prospects for successful marketing are brighter this year than they were in 1950.

"The Government are fully aware that even if the market prospects were no better than they were last year, $11 could be paid for small madeira (a medium grade of fish) as the opening price this year. With even better prospects than existed last year, the merchants could without difficulty or hesitation agree to pay $11 as an opening price for small madeira this year.

"The Government is giving the closest possible attention to the situation, and does not hesitate to express the strong hope that the fish merchants will agree to an opening price of $11 subject to review on July 25."

The Premier went on to remind the merchants that a Royal Commission, headed by Bruce Feather, was now investigating the prices received by fishermen for last year's catch. He added, "It is our intention, should the need arise, to order another inquiry into the prices paid for this year's fish."

Market Outlook

The question of fish prices has been a sore one in Newfoundlan for the last couple of years. During the war and immediately after it, with strong markets the fish exporters could set a guaranteed price for the fishermen before the season began.

Last year, however, the market fell off, and for a while things looked extremely black for Newfoundland's fishermen. Many of the fish killers were refusing to sail for the grounds until a price was set, but because of the market, the merchants just couldn't set a price.

This year, while the market situation is somewhat better, merchants don't know yet how the market will stand up.

At the same time, however, with a production of perhaps 60-70 cwt. of fish, the fisherman cannot be expected to work on the fishing grounds for too low a price.

That is the main problem. How to find a "just" price for merchants and fishermen alike. It's a problem which is causing some furrowed brows in Newfoundland today, and it won't be solved overnight.

It all goes back to production. The Newfoundland fisherman is still putting out a product which goes to a comparatively poor market, and he is putting it out by poor methods (The Financial Post, June 2). Just so long as this state of affairs exists, fish prices are going to be an annual headache.

Want Floor Price

With doubts as to what price they will get for their fish the Newfoundland fishermen are agitating for a floor price under fish from the Fish Prices Support Board, but they have been informed by Minister of Fisheries Mayhew, that the Federal Government is not considering this at present.

The fishermen believe there is a strong case for fish price support in Newfoundland. They are caught in the squeeze between rising costs of production and falling prices for their product.

Using present methods of catching and drying fish, the average Newfoundland fisherman cannot possibly boost his annual production much higher and individually he cannot afford to buy newer, more modern gear. Until the new fisheries development program begins paying off, he must carry on in the old way and, as things stand now, pray that he'll get enough money for his fish to feed him and his family over the winter. For that reason he wants a floor price.

The fish merchant, too, wants a floor price. To run his business properly, he cannot afford to go too high on fish prices at the present time without running an undue risk. As one prominent fish exporter told The Financial Post, "We would like to give the fishermen what they ask for fish — they earn it — but we just can't do it. The only real answer in the present state of the market is a floor price."

Speed up Program

It has been suggested here that the best answer to Newfoundland's fish problem is for both the federal and provincial governments go all out to speed up the fishery development program.

Then, in addition to that speed-up a "temporary floor price be put under salted codfish until such time as the development program began paying off, taking the emphasis off salt codfish and putting it on other branches of the fisheries.

"In addition, the development program would enable the fishermen to catch more fish, and even if it was salted and dried, the boost in production would counter-balance the price received for the product and the floor price eased."

Floor prices apart, with 30,000 of her people dependent on the fisheries for a livelihood, Newfoundland must do something quickly about her fisheries.

Until some means is found to boost the incomes of such a large part of her population, the island is going to have her almost traditional financial problems.

One big hope lies in her fisheries development program, and the quicker it begins showing the hoped for results, the better.

COMPANY REPORTS

To assist readers in appraising and comparing company financial statements, The Financial Post has a uniform method of presenting corporation accounts. Variations from the companies' published reports are footnoted.

RAPID GRIP & BATTEN LTD. net profit for 1950 was $105,230, up 12% from net of $94,192 year before.

INCOME ACCOUNT

Years Ended Dec. 31:	1950	1949
Net earnings	$322,243	$269,786
Less: Deprec.	103,872	85,861
Interest	38,641	23,333
Taxes	74,500	66,400
Net profit & surp.	105,230	94,192
Earned per Com. Share	$2.96	$2.65

None paid.

CONDENSED BALANCE SHEET

As at Dec. 31:	1950	1949
Cash	$3,100	$3,200
Accts., etc., rec.	815,602	880,791
C.s.v.—life ins.	72,430	56,419
Inventory	258,754	207,856
Total curr. assets	1,149,886	1,148,266
Invests.	11,150	11,150
Misc. assets*	27,125	66,850
Fixed assets	1,789,754	1,666,712
Total assets	2,977,915	2,892,978
Bank loan (sec.)	189,806	242,821
Accts., etc., pay.	286,880	262,097
Total curr. liabs.	476,686	504,918
Res. for deprec.	966,523	876,773
Funded debt	750,000	775,000
Capital stock	635,450	280,450
Earned surplus	‡149,256	435,837
*Incl. EPT of	24,362	23,823

‡Undistr. surplus converted to pref. shs. after tax pay't.

Working capital	673,200	643,348

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Have these bull markets, and one bear market, ended?
If so, which stocks should be sold?
If not, which stocks should be bought?

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There is nothing new in this. It is just common sense. But it is seldom done or attempted.

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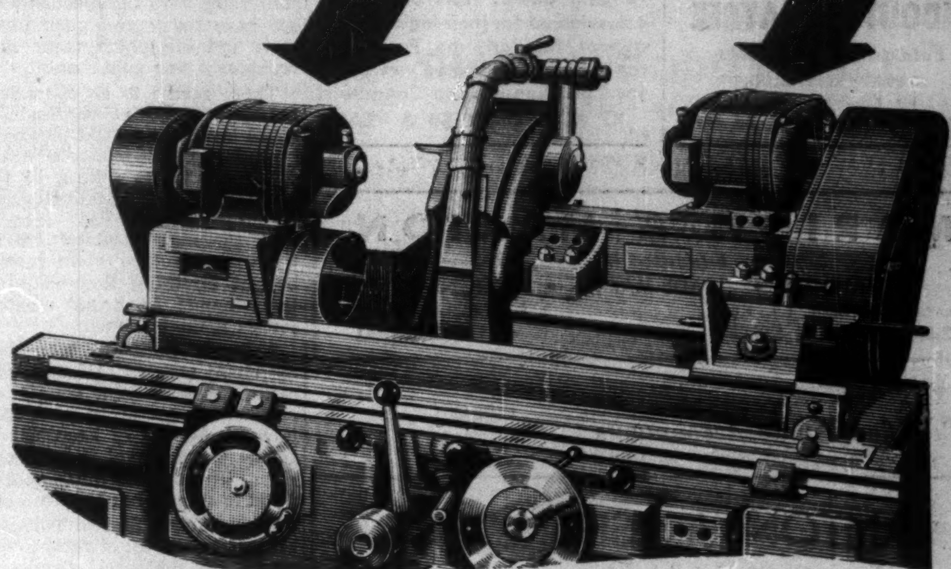

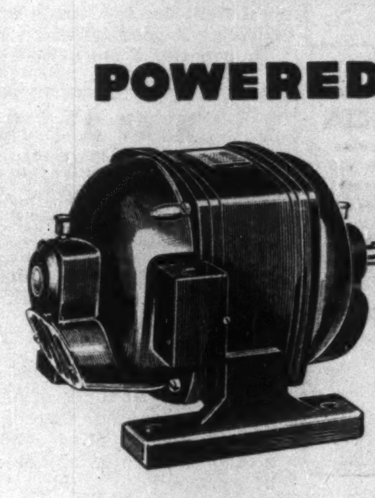

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What's Key to Retailing Success? Here's Experts' Six Point Formula

Following is the digest of an address given recently by R. F. Chisholm, vice-president and general sales manager, Gordon Mackay & Co., Toronto, before the Retail Merchants Association convention at Saskatoon:

By R. F. CHISHOLM

The major factor in retail success according to the best authorities in Canada and the United States can be summed up in a formula of six points. The formula seems to be sure-fire and fits today's conditions as well as it ever did. More than ever, in fact, today this formula is being examined in terms of noticeable trends in distribution.

Here then are the six points:

1. Basic Stocks: It seems to mean doing a good job on whatever a retailer carries, rather than dabbling in a lot of things. Basic stocks represent about 75% of a retail store's business, as these are the items which are regularly in demand in most households season after season. This adds up to maintenance of narrower and deeper ranges. These are the standard products on which a retailer makes most of his profit, as contrasted with the specials which are here today and gone tomorrow, and on which there is no continuity nor consistency.

There seems to be a tendency for buyers, both at wholesale and retail levels, to regard themselves nowadays in the nature of dealers or agents to do selling in their communities for certain stipulated manufacturers. This contrasts with the old, old days and also the wartime days when retailers bought anything they could lay their hands on from whatever source it might come.

2. Stock Control: Whether a merchant uses an elaborate stock control device or a simple eye-check, it is certainly essential to have some way of keeping stock at the proper level in relation to sales. There is no mystery about it. It is simply hard work.

3. Attractive Stores: This is the era of startlingly attractive retail stores and wholesale showrooms. Some wonderful work has been done right across Canada and it is having a good effect on sales.

In general, a store that looks successful is successful. The most important feature in creating an attractive store is display.

Many retailers feel they do not have room for adequate display. This means they have too much stock. The ideal approach to the problem is take whatever space is necessary in any store, regardless of size, for display. Whatever space is left over, utilize for stock. Ordinarily, the process is the other way around.

Great strides have been made in merchandise presentation through better fixtures. Good flexible fixtures are those which can be switched overnight for use from one type of merchandise to another. The type of merchandise can be changed from season to season in preferred sections in a store and can be changed overnight for special promotions. Change, change, change, that is the order of the day.

4. Promotional Selling: The hard hitting operators say this means using all the sales devices available, but using them all at the same time. There are bargain promotions and full profit promotions. Bargain promotions usually are developed by a store out of its own excess stock, sweetened up by some special buys. There are full profit promotions also and these usually include such points as:

—selected merchandise
—national advertising
—local advertising
—store display
—window display
—direct mail material

Promotional selling is here to stay. There will continue to be great emphasis on the bargain-price traffic-getters. But, in the trend toward better collaboration between manufacturers and their outlets, there appears to be developing a potent promotional program on full profit regular merchandise.

5. Pricing: This is a ticklish question. We all know that prices must be high enough to make an over-all profit; but they must be low enough to get business as, otherwise, there is no profit. There is always the temptation to take a low margin for the sake of getting a large volume and a fast turnover. But this can lead to the poor-house too. Successful merchants tell me the plan they follow is—use a standard markup and deviate from that only on the advice of reputable suppliers or when forced by a particularly virulent competition on specific items.

There has been great debate about the merits and demerits of price maintenance, as established by national advertisers. Price maintenance, in principle, is thoroughly sound and is good for both the retailer and the consumer, if it is properly practiced. It tends toward giving the consumer confidence and is the best possible guarantee against exorbitant prices. It tends toward a reasonable margin for the retailer and assures a stability which is otherwise missing.

6. Staff Training: Really sensational developments in retailing can be traced to careful personnel training. This includes training on very simple things, such as, how to say "Good Morning" nicely, how to approach a customer, how to follow up promises, how to sense what the customer wants, how to make refunds cheerfully, how to add some related sales, how to put together a promotion.

New Trends

It would appear the trend in distribution favors the large organizations, the department stores and chain stores. Prior to 1939, the large organizations had gained position at the expense of the small trade. The trend was reversed somewhat from about 1939 to 1947, when the independents improved their relative position.

Now the pre-war trend has been resumed and during the last few years the department stores and chain stores have gained somewhat at the expense of the independents. This has been effected through use of all the devices discussed, including dramatic stores, fresh merchandise through stock control, and intense sales promotional effort.

But there continues to be a good place for the independent merchant who is willing to adopt good methods. Largely, the advantage of the big stores is in their selling power rather than their buying power. True, the large stores do have an advantage in their buying power but that is largely taken up by increased overhead, as demonstrated by any analysis of operating performance. The real power of the large organizations comes in their mastery of merchandise presentation and the excitement value which will bring a housewife into the congested centre of a congested city.

The independent continues to hold one great advantage which can never be taken away from him, which is his personal position in a community. This can be of great value provided he lives up to the opportunity it presents.

Dominion Stores Sales Higher

Dominion Stores Ltd. sales are well ahead of last year at present and are "most satisfactory," President J. W. Horsey told the annual meeting. The future could not be predicted, but the directors believe taxation and attempts to curtail inflation will affect the food industry as well as others, he said.

Company opened 18 new stores in 16 Eastern Canada communities, remodeled 33 stores and closed 18 obsolete stores in the last year. Five Dominion Mammoth Markets are now operating and seven new ones are planned for this year. Fifteen new stores are planned as a minimum for this year.

YOU ASKED US

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INVESTMENTS

Mackeno Mines

What do you think of Mackeno Mines at this stage? Did the company raise enough money to carry on any amount of work?

Mackeno Mines is now carrying on an underground program on its property adjoining United Keno Hill in the Mayo district of the North West Territories. Main objective is development of the McLeod vein which appears to hold considerable promise from results available from previous work. However, development from the present audit workings is not sufficiently advanced to provide any certainty as to what results will be secured in the present program of work.

Authorized capital of the company is 3.5 million shares, of which 2,000,005 shares are outstanding, including 650,000 pooled shares. Options are outstanding on 1,200,000 shares at 75c to $2 a share. On Oct. 11, 1950, cash amounted to $195,005 against current liabilities of $143,000. Subsequently $180,000 further was received from sale of 300,000 shares.

INCOME TAX

Gift Tax

I am thinking of giving gifts of money to my children. How much can I give to each without becoming subject to gift tax?

Gifts not over $1,000 to any one individual in the taxation year are wholly exempt gift tax. Gifts exceeding $1,000 are taxable if the aggregate of such gifts exceeds $4,000 or half of the difference between your taxable income for the immediately preceding taxation year and the tax that was payable thereon, whichever is the greater. Thus you could give several children gifts not exceeding $1,000 each and these may be disregarded as far as gift tax is concerned. Then you could give another one $4,000 without incurring gift tax. If your income for the preceding year, after tax, exceeded $8,000 your exemption would be more than $4,000 (up to 50% of the income after taxes.)

COMPANY REPORTS

To assist readers in appraising and comparing company financial statements, The Financial Post has a uniform method of presenting corporation accounts. Variations from the companies' published reports are footnoted.

EAST KOOTENAY POWER CO., Fernie, B.C., net profit for year ended March 31, 1951, was $222,355, up 17% from previous year's $190,015.

Total revenues were up 9%. Operating expenses were 0.8% lower, before pension fund contribution, in spite of substantial line maintenance, says President A. J. Nesbitt.

Total output was 173,283,640 kwh, 11.5% above previous year's 155,364,500 kwh. Hydro conditions were satisfactory, due to heavy precipitation and improvements to Elko Dam.

Hydro generation of 127,417,400 kwh was 18% over previous year. Generation at Sentinel steam plant, 43,396,200 kwh, was down 2.3%, and purchased power requirements, at 2,470,040 kwh, were reduced by 29.7%.

Present indications are for higher precipitation this year, Mr. Nesbitt says.

He states that company faces possible loss of two of its coal mining contracts during the current year, due to an order of the Public Utility Board of Alberta authorizing another power company to supply these two coal companies with their power requirements. Company should continue to conserve its cash resources, in view of possible capital expenditures and probable loss of the two coal contracts, he believes, and company is deferring payment of the preferred dividend.

Further $75,000 of outstanding first mortgage 3¾% bonds were redeemed.

Reserve for depreciation is $1,383,639. The auditors append this note: "The balance of the reserve for depreciation is after charging $253,150, in respect of intangibles and $298,593 in respect of fixed assets retired. No depreciation was provided during the ten year period prior to March 31, 1937, in which period on the basis of depreciation provided in the subsequent ten year period, it is estimated that approximately $1,150,000 accrued. The reserve for depreciation therefore would not appear to be adequate."

Annual general meeting will be June 22, 1951, at Montreal.

INCOME ACCOUNT

Years Ended Mar. 31:	1951	1950
Total revenue	$1,428,944	$1,302,811
Net earnings	683,382	553,025
Less: Interest	135,337	138,610
Depreciation	157,000	105,000
Bond disc.	3,900	3,900
Income tax	164,790	115,500
Net profit & surplus	222,355	190,015
Times Interest Earned:		
Before deprec.	5.05	3.99
After deprec.	3.89	3.23
Earnings per Share and Dividend Record:		
Pref.: Earned	$22.24	$19.00
Com.: Earned	5.08	†4.00

None paid on either stock.
†Incl. shs. held in trust.

CONDENSED BALANCE SHEET

As at Mar. 31:	1951	1950
Cash & Dom. bds.	$744,534	$505,227
Accts. rec.	121,775	155,348
Inventories	81,967	97,586
Total curr. assets	948,276	758,161
Prep. exp., etc.‡	15,856	18,907
Co's. bonds	81,146	69,179
Bd. disc. & exp.	52,721	60,562
Fixed assets†	4,251,997	4,299,239
Total assets	5,349,996	5,206,048
Bonds due	75,000	75,000
Accts., etc., pay.	38,970	60,857
Bond int.	55,578	56,906
Taxes	91,233	71,240
Total curr. liab.	260,781	264,003
Consum. dep.	7,233	10,033
Funded debt	3,325,000	3,400,000
Capital stock	1,150,000	*1,147,385
Surplus	606,982	384,627
†After depr. of	1,383,639	1,226,267

*After deducting $2,615 (523 shs.) held in trust for employees.
‡Incl. in curr. assets in co's report.

MID CONTINENT OIL & GAS has sold 300,000 shares at 15c to T. L. Brook & Co., Toronto. Issued, 6,999,998 shares; in treasury, 3,000,002.

PACIFIC PETROLEUMS has received payment covering an additional 9,000 shares at $5, comprising part of option to A. P. Bowsher as trustee for certain of company's employees. Issued, 4,425,600 shares. In treasury, 574,400.

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The Big Future for Labrador Timber

Three-Point Program Will Tap Frontier Forest Wealth

By RUPERT JACKSON

ST. JOHN'S — This summer will see work begin to roll back one of Canada's few remaining frontiers in the north. First will be Ungava iron, then it will be Labrador timber.

There will be three definite developments of the timber stands around Lake Melville in Labrador this summer, and there is another possible development.

The developments:

(1) Newfoundland Government has granted concessions to a Swiss firm, headed by Dr. Arthur Seigheim, for a major logging project to begin in July.

(2) An act has been passed in the provincial legislature to reclaim for the public domain timber concessions given previously unless the owners make a definite start on development by the end of this year.

(3) Newfoundland and Labrador Corporation Ltd. has been granted a 4,000-5,000 square-mile concession of timber at Lake Melville.

The possibility: a paper and pulp mill, or a sulphate mill.

Together, the three definite developments will open up the almost virgin stands of 40 million cords of prime black spruce in the Lake Melville, and will begin the development of the territory of Labrador which has been neglected since its discovery.

The Seigheim agreement will start a logging operation in two definite concessions in Labrador, to cut and export 200,000 cords of pulpwood annually. Royalty payable to the Government is $5 per cord.

The two concessions are on either side of the head of Lake Melville. The first consists of 1,025 square miles taking in Grand Lake to the north west of Lake Melville. The other is 380 square miles on the south of Lake Melville and taking in part of the Traversepine River.

Guaranteed Cut

Under the agreement Dr. Seigheim holds these concessions for the next 10 years, renewable for another 10 years. Both parties have the right to cancel the agreement on four years' notice.

The Company, which will be a new one incorporated in Newfoundland, will be required to make a full cut of 200,000 cords each year. If less than that amount is cut in any one year, the deficiency will have to be made up the following year. If the company fails to cut the agreement will be null and void, unless the company pays the full royalty of $1 million just as if it had cut.

The company will employ 1,500 men in the operation and will pay out roughly $2 millions annually in wages.

The work will be headed up by Swedish and Finnish forestry experts brought in for the purpose, in charge will be Hans Schippel of Finland. The cutting will be done by modern forestry methods and scientific and selective cutting.

In the past logging operations in Labrador have not been very successful because of a difficulty in getting loggers to go to the area and stay there. With that in mind the new company undertakes to establish two townsites in Labrador with roads, shops, sewerage and all the rest of it. Loggers will be encouraged to bring their families and live in the north. The company will draw up a financing plan to help loggers finance their homes.

This is an entirely new departure in the northland. It will mean that for the first time a permanent industry will be set up in the north, supported by permanent townsites. It will tend to centralize the present scattered population of Labrador and take the people away from the impoverished coastal areas and bring them into the rich, fertile Lake Melville area.

Labrador Pulp Mill?

It will be the first real step in opening up the vast, untapped resources of the northern territory, and may well be the prelude to the establishment of other industries which use wood as a basic raw material. It may well speed the possibility of the establishment of a paper or sulphate mill in Labrador with construction beginning this year or early next year.

This possibility is given strength by the fact that the Seigheim Company has undertaken to invest $3 millions as a start in building canals, dams, roads and other construction in the area, all of which would be necessary for a paper mill, but not essential to the logging operation.

Besides all this the agreement calls for the establishment of model farms in the two concessions, bringing in seeds and plants from northern Finland.

This is not so rash as it may appear. Labrador gardens, even though the season is shorter, will produce more than the gardens of Newfoundland. They can grow turnips, carrots, potatoes, corn, cabbage and other vegetables, and in some cases, notably cabbage, growth is amazing in the rich soil of the river beds.

Seigheim also undertakes to set up a school of forestry in Labrador to train young Newfoundlanders in the art of forestry. As these men are trained they will take the place of the Swedes and Finns brought over to take part in the beginning of the scheme. He also undertakes to endow a chair in forestry in Newfoundland's Memorial University.

The other development in Labrador are as yet minor compared to the above. But they are important because of future possibilities.

Newfoundland and Labrador Corporation (The Financial Post, May 26) will be given a 4,000-5,000 square mile timber concession in the Lake Melville area, and will have to cut 100 million board feet of lumber off it in each five-year period after the agreement between it and the Newfoundland Government comes into force. If necessary, the wood which would go into this lumber can be used to manufacture pulp.

This, however, is not the important part of the Newfoundland and Labrador Corporation's possible operations in Labrador. The corporation is a combination of Newfoundland Government and the private financial interests of Harriman Ripley Company, New York, and Wood, Gundy Corporation, Toronto. Through it Newfoundland hopes to tap the private capital of Canada and the United States for the development of Newfoundland and Labrador.

Must Develop Concessions

The final immediate development in regard to the Labrador timber stands is a bill which has passed through Newfoundland's provincial legislature calling on all those who have timber concessions in Labrador to develop them, else the concession reverts to the Crown by the end of this year.

Under most of these old agreements, some of them going back to 1902, the persons holding the concessions agreed to pay a small rental for the land (totaling about 4,000 square miles) and agreed to cut pulpwood and lumber on the concessions. Without exception, no cutting has been done for years. In effect, what the Government now wants is for cutting to begin or else the concessions to be given up.

Legislation similar to this was brought into the Newfoundland Legislature back in 1931, but this was to confiscate the properties and was quashed by the Privy Council when the owners took the case through the courts.

The Government today takes the position that the present legislation merely insists that the owners of the various concessions of timber in Labrador live up to their original agreement. If they do that and begin cutting, they will retain the concessions; if they don't, the Government takes the land back.

All told, the above developments indicate a scale of activity in the Labrador timbers which has never before been foreseen.

The Forest Wealth

Just what are the Labrador timbers?

There have been several distinct timber surveys made of certain sections of the Lake Melville area in addition to cursory surveys in the western end of Hawke's River and Sandwich Bay. The latest Lake Melville survey was done during the past year or so by the Photographic Survey Corporation of Toronto. This firm covered 10,000 square miles and reported the area held 40 million cords of timber.

Previous surveys had been done by Edward Lloyd Ltd., England; International Paper Co., Anglo-Newfoundland Development Co., Bowaters (Newfoundland) Pulp and Paper Mills, Ltd. (2), and M. Thibaundeau, a private survey.

Most of these were superficial, and the only one done with any real accuracy was the Bowater aerial survey of 1937. It has been confirmed by the Photographic Survey Corporation's recent efforts.

The development of these timber resources, however, presents some heavy problems.

The actual felling and hauling of the wood would be easy, according to an independent forestry expert. Cost per cord, delivered to the river bank by up-to-date logging methods, would be cheaper than almost anywhere else in Canada. But that's where the trouble starts.

The bottoms of the two main rivers in the Labrador timber areas, the Hamilton and the Kenamu, are shifting sands. They offer very poor foundations for holding piers, booms, etc. According to investigations, in the spring floods, the enormous pressure of ice would possibly carry everything with it unless solidly anchored to rock bottoms.

It would appear from the various reports that one of the vital factors controlling the marketability of the Labrador wood in the Hamilton was the layout of booms and their capacity. This particularly applies in the event of wood being loaded aboard the steamers.

Location Advantages

The easiest and cheapest starting point for an operation is in the Grand Lake watershed, in the first concession of the Seigheim company. The lake above the North West River offers a natural holding ground for wood which can be put in shape at the least expense. All supplies can be conveyed to camps on the shores of Grand Lake by water for the first few years. Road building would not be a problem.

Independent forest experts in Newfoundland have recommended that an operation be begun in this area first, and then, profiting by the lessons learned in this operation, the operations can be expanded to the Hamilton and Kenamu Rivers. Thus, the importance of the Seigheim operation as it might affect the whole of the Labrador timbers can be seen.

In the beginning the Seigheim operation will be exporting cord wood, and here there are three main points to consider:

(1) Should the wood be shipped as cut, or should it be peeled? The former would save labor in the woods, but peeled wood would give a saving of 15% weight.

(2) Should the wood be cut into 4-foot or 3½-foot lengths. Four-foot wood would save labor, but 3½-foot wood has a better stowage factor.

(3) How to stow wood in the ships? Naturally, bundled wood has a tremendous advantage over stowed wood in the saving of labor, loading and discharging. However, when using the bundled method, the freight should be paid on a time charter basis. Up to 25% deck cargoes can be carried by this method. However, 30% of ship capacity is lost due to bundling. At the same time only certain types of ships are suitable for the bundling of wood and these are in the vicinity of 7 thousand to 10 thousand tons.

Problems Ahead

All of these factors come into the picture in shipping wood to Europe and also in shipping Labrador wood to a paper mill on the south coast of Newfoundland as has been suggested from time to time.

All these factors, with the exception of the shipment of wood, plus a few more, are also problems confronting a possible pulp mill in Labrador.

Extensive investigation is necessary before any real thought goes into sites and so on. There is the problem of the short shipping season — about 4½ months. What about power? A townsite would have to be built, although one of Seigheim's might do, particularly near Grand Lake. Or would it have to be somewhere else? Would it be better to just produce pulp in Labrador and finish the process in Newfoundland? There are hundreds of such problems.

Despite the problems, however, the establishment of a paper or a sulphate pulp mill in Labrador is getting consideration.

Dr. Seigheim has held talks with Dr. Alfred A. Valdmanis, Newfoundland's Director General of Economic Development, on the matter. Basis of these talks was a 500-tons-per-day paper mill working 300 days a year. The mill would be built in Europe, and be ready to go into production about two years after beginning of construction. Cost would be from $60 millions to $100 millions.

The Hugo Stinnes interests, according to Premier J. R. Smallwood, are anxious to go ahead with the construction of a large scale mill in the northern territory.

As yet, however, no definite developments in this connection have occurred.

Loan Companies Increase Mortgages to 67% Assets

Assets of the nine loan companies who are members of Dominion Mortgage & Investments Association increased by $16.7 millions or 6.6% in 1950 to amount to $269.3 millions, according to the Association's annual report. Assets of these companies comprise about 90% of assets of all loan companies in Canada.

The year 1950 saw a continuance of the trend of recent years whereby an increasing proportion of the investment funds of member loan companies was channeled into mortgages. In fact, loan companies were on balance sellers of Dominion, provincial and corporation bonds in order to secure funds for the expansion of their mortgage portfolios, the Association says.

The mortgage investments of these nine companies rose by $17.3 millions in 1950 and now constitute 67.06% of their total assets. In the last four years the percentage of assets represented by mortgages has climbed from 50.5% to 67.06% but is still below the 1939 level of 70.6%.

Since loan companies are primarily mortgage lending institutions this trend is not surprising. It is also not surprising to find that loan companies have a larger percentage of their assets in mortgages than have life insurance companies or trust companies. Mortgage investments comprise 18.04% of the total assets of member Canadian life insurance companies and 29.8% of the assets of member trust companies.

The following table prepared by the Dominion Mortgage & Investments Association shows the distribution of assets and changes in percentage distribution for its nine member loan companies:

DISTRIBUTION OF ASSETS OF LOAN COMPANIES

	Dollar Distribution (In Thousands of Dollars)		Percentage Distribution			
	1950	1949	1950	1949	1948	1939
	$	$	%	%	%	%
Dom. Gov't Bonds	37,616	41,926	13.97	16.60	19.81	
Prov. Gov't Bonds	5,272	6,117	1.96	2.42	2.48	8.21
Can. Mun. Bonds	2,239	2,026	.83	.80	.71	
Other Gov't Bonds	475	553	.18	.22	.22	1.57
Total Gov't Bonds	45,602	50,622	16.94	20.04	23.22	9.78
Corporation Bonds	884	1,954	.33	.77	1.34	.87
Corporation Stocks	17,998	15,842	6.68	6.27	6.73	5.04
Mortgages in Canada	180,607	163,271	67.06	64.64	57.95	70.57
Real Estate held for sale	2,801	2,830	1.04	1.12	1.43	5.78
Other Real Estate	5,978	5,734	2.22	2.27	2.18	3.21
Collateral Loans	193	256	.07	.10	.29	.14
Cash	11,391	9,737	4.23	3.86	6.29	4.13
Other Assets	3,852	2,358	1.43	.93	.57	.48
Total Assets	269,306	252,604	100.00	100.00	100.00	100.00

COMPANY REPORTS

INTERNATIONAL POWER CO. consolidated net profit for 1950 was $2,748,527, up 18% from previous year's $2,311,914.

Figures converted from foreign currencies have been shown at par of exchange, except for one subsidiary where they were converted at government official rates.

Additions and improvements cost $2,237,861, and will not be less in 1951, estimates President I. W. Killam.

Accounts of Monterey Railway, Light & Power Co. are not included in the consolidations; shares and debentures of that company are included in "Investment in subsidiary companies."

Certain claims in Porto Rico are still pending and no further distribution on the preferred and common shares of Porto Rico Power Co. has been made by the liquidator since payment of $8.00 a share in January, 1950.

In addition to the shares of a foreign subsidiary company issued against surplus capitalized and received by the company in 1949, a further issue and distribution of shares, representing earned surplus capitalized by another foreign subsidiary company, was made in 1950. The shares so received are in the holding company balance sheet in "Shares of subsidiary companies."

During December all outstanding 5% cumulative redeemable first preferred shares of $25 each were redeemed and all 20,000 6% cumulative convertible second preferred shares of $100 each were, in accordance with the right attaching, converted into 80,000 common shares.

Company paid the special tax under Section 95A of the Income Tax Act, on income undistributed as at Dec. 31, 1949. After payment of tax, undistributed income at that date was $7,904,561 and company similarly elected early in 1951 in respect to an amount of 1950 income equal to the dividends paid in 1950. The combined "tax paid undistributed income" available for capitalization then amounted to $8,415,100.

A bylaw creating $10,000,000 new 5½% cumulative redeemable first preferred shares was sanctioned at a special general meeting Jan. 4, 1951, and confirmed by supplementary letters patent. Total of 84,151 shares $100 par value were issued and distributed Mar. 30, 1951, as a stock dividend at the rate of $43 par value of such first preferred shares for each common share held as of record Mar. 15, 1951. To permit an even stock dividend distribution, outstanding common shares were increased early in 1951 to 195,700 by issue for cash of 90 common shares at $100 each. Company has since purchased and cancelled 14,151 shares of its 5½% cumulative redeemable first preferred stock, leaving 70,000 shares of $100 each now outstanding.

CONS. INCOME ACCOUNT
(In Canadian currency at par of exchange)

Years Ended Dec. 31:	1950	1949
Net earnings	$3,900,111	$3,270,997
Less: Bank int.	17,378	27,525
Subs. dividends	19,509	19,455
Depr. & ren. res.	895,863	706,604
Cont. & gen. res.	138,609	129,534
Min. int. in surp.	98,277	75,965
Net income	2,730,475	2,311,914
Add: Other inc.	114,130	17,462
Less: Misc. exp.	96,078	79,691
Debenture int.	......	25,114
Refin. exp., etc.	......	41,271
Net profit	2,748,527	2,183,300
Less: 1st pref. divs.	94,800	100,000
2nd pref. divs.	180,000	120,000
Common divs.	208,098	138,732
Surplus for year	2,265,629	1,824,568
Earnings per Share and Dividend Record:		
5% pref.: Earned	‡	$27.29
Paid	$1.25	1.25
2nd pref.: Earned	*	104.17
Paid	9.00	6.00
Common: Earned	13.57	16.92
Paid	1.80	1.20

‡Redeemed Dec. 11, 1950.

*Converted to common on the basis of 4 common for each pref. share.

CONDENSED CONS. BALANCE SHEET

As at Dec. 31:	1950	1949
Cash & Dom. bds.	$2,197,127	$2,894,548
Accts. rec.	935,262	1,113,275
Inventories	1,071,847	1,044,808
Total curr. assets	4,204,236	5,052,631
Misc. assets	115,030	158,440
Inv. in subs.	736,318	1,415,377
Fixed assets	28,671,542	26,770,454
Total assets	33,727,126	33,396,902
Bank loans	580,000	360,000
Accts., tax., etc., pay.	1,303,686	1,221,921
Divd. payable	......	179,366
Total curr. liab.	1,883,686	1,761,287
Def. credit, etc.†	47,537	3,053,045
Depreciation	8,019,994	7,653,895
Other res.	1,925,630	2,364,341
Min. int. of sub.	1,450,207	1,349,637
Capital stock	3,622,750	5,622,750
Tax pd. undist. inc.	7,904,561	......
Capital surplus	2,855,638	......
Earned surplus	6,017,023	11,392,047
Working capital	2,320,550	3,291,344

*Not including accounts of Porto Rico Power Co., in liquidation.

†Including $3,005,508 in 1949 rec'd by co. re Porto Rico Power in excess of invest. therein; final distribution not yet made.

PROFESSIONAL DIRECTORY

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C. S. BOND, C.A.
W. I. HETHERINGTON, F.C.A.
W. R. O'LOANE, C.A.
LICENSED TRUSTEES IN BANKRUPTCY
C. J. DICK, C.A.
W. R. O'LOANE, C.A.

McDonald, Currie & Co.
Chartered Accountants
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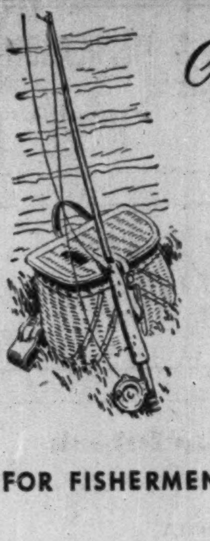

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How Doctors Are Planning New Canada-Wide Service

The Canadian Medical Association plans to establish Trans-Canada Medical Service, announced this week, in effect will be a confederation of seven existing medical care plans across the country.

It is aimed for the present at standardizing contracts and services rather than at standardizing rates. Thus it is not intended to displace existing plans but will co-ordinate and broaden them by:

—Enabling contracts with one plan to be transferred to another plan in another region of Canada.

—Permitting large national employers with employees in several provinces to insure them through Trans-Canada Medical Service under the regional plans.

—Establishing a pool for information, administrative counsel, data and statistics for all plans.

A spokesman for the Canadian Medical Association indicated that if it is necessary to work with the Federal Government in attaining its objectives, Trans-Canada would act as representative of the plans.

For All Canadians

CMA officers declare this does not mean CMA favors state medicine. They do feel, however, that their medical plans should be made available to everybody in Canada: those who can pay should contribute through company plans; those who can't, should get government aid.

The Medical Association hopes that in any government health program the government will operate through the established medical association plans.

The seven co-operating plans are Medical Services Association, B.C., Medical Services (Alta.) Inc.; Group Medical Services, Regina; Medical Services Saskatoon Inc.; Manitoba Medical Services; Physicians Services Inc., Ontario; Maritime Medical Care Inc., Nova Scotia. Windsor (Ontario) Medical Services Inc. are expected to come in.

Two other groups expected to join Trans-Canada shortly, Quebec Hospital Service Association and Maritime Hospital Service Association now provide hospital care and limited medical coverage.

The seven co-operating plans at present work on a group basis only through established companies and groups. However, they carry on individual plans for people who resign from a company participating in the plan.

They hope eventually a sufficiently large proportion of the population will come into the plans so they can take in individuals. Some people say around 75% of the population would be necessary. The Windsor plan operates on about 50%.

Offer Medical Care

Most of the seven plans offer medical care only. Physicians Services Inc. however, has worked out a package plan including hospital care in conjunction with Blue Cross and this may become part of the general plan. Present thinking is along that line.

Rates charged by the different plans are not uniform nor are types of contracts. Trans-Canada is expected to mean standardization of the type of contract rather than uniform rates across the country, it is understood.

An increase of 25% in rates charged by Physicians Services Inc. has been forecast but it is understood this does not necessarily mean an advance by other plans. PSI membership has increased sharply recently; is now understood to be about 180,000. The increase in rates is due to general conditions, it is claimed.

A Canadian Medical Association spokesman says it is believed that by this organization better and more economical medical care can be provided for all Canadians than through a government-operated plan.

An officer of the Blue Cross Plan for Hospital Care described the formation of Trans-Canada Medical Services as a forward step.

Associated Medical Services Inc. expressed interest in the new organization but were awaiting official information on details of operation, etc. before commenting.

Record of Financing

Sales by Municipalities, Provincial and Dominion Government. Offerings of Corporation and Foreign Securities.

MUNICIPAL

City of Hamilton, Ont.—3½%, 4% debentures, due July 2, 1952-56-71, $2,793,631. Issued June 7th, 1951. Sold at $100.02 to Nesbitt, Thomson & Co. Ltd., Fairclough & Co. Ltd., Gairdner & Co. Ltd., R. A. Daly & Co. Ltd., James Richardson & Sons, W. C. Harris & Co. Ltd., Midland Securities Ltd., Bankers Bond Corporation Ltd., J. L. Graham & Co. Ltd., Burns Bros. & Denton, Ltd., Dawson Hannaford Ltd.

City of London, Ont.—3½%, 3¾%, 3¾% debentures, due June 30, 1952-71, $2,000,000. Issued June 11, 1951. Sold at $97.037 to A. E. Ames & Co. Ltd., Bank of Nova Scotia, Wood, Gundy & Co. Ltd., Fry & Co. Ltd., Imperial Bank, Gairdner & Co. Ltd.

City of Fredericton, N.B.—4%, 4¼% debentures, due July 1, 1952-61-71, $875,000. Issued June 7th, 1951. Sold at $97.036 to Wood, Gundy & Co. Ltd., Eastern Securities Ltd., Canadian Bank of Commerce, Nesbitt, Thomson & Co. Ltd., Cochran, Murray & Co. Ltd., Greenshields & Co. Inc., Bank of Nova Scotia, Burns Bros. & Denton Ltd., G. W. Brown & Co.

City of Waterloo, Ont.—3%, 3% debentures, Group "A," due Dec. 15, 1951-60, June 1, 1952-66, 3½%, 3¼% debentures, Group "B", due June 1, 1952-66-71, $322,032. Issued June 11, 1951. Group "A", sold at $95.34; Group "B", sold at $94.43, to the Bank of Nova Scotia, Wood Gundy & Co. Ltd.

Edmonton Roman Catholic School, District No. 7, Albt.—4% debentures, due June 1, 1952-71, $140,000. Issued May 28, 1951. Bought privately by James Richardson & Sons, W. C. Pitfield & Co. Ltd.

Brotherhood of Christian Schools of Ontario—4½% debentures, due May 1, 1952-71, $600,000, Issued May 31, 1951, Bought privately by Harris MacKeen Goss & Co.

School Commission of the City of Sorel, Que.—3½%, 4% debentures, due Dec. 1, 1951-61-70, $295,000. Issued June 4, 1951. Sold at $94.64 to Oscar Dube & Co. Inc.

Clover Bar School, Division No. 13, Alta.—4¼% debentures, due June 1, 1952-66, $105,000. Issued June 5, 1951. Sold at $97.81 to Burns Bros. & Denton Ltd., Sydie, Sutherland & Driscoll Ltd.

Holden School Division No. 17, Alta.—4½% debentures, due June 1, 1952-66, $140,000. Issued June 5, 1951. Sold at $98.14 to Nesbitt Thomson & Co. Ltd.

Jasper School District No. 3063, Alta.—4% debentures, due May 1, 1952-71, $216,000. Issued June 5, 1951. Sold at $95.37 to James Richardson & Sons.

Medicine Hat School District No. 76, Alta.—3¾% debentures, due May 1, 1952-71, $161,000. Issued June 5, 1951. Sold at $93.16 to Nesbitt, Thomson & Co. Ltd.

Shouldice Terrace School District No. 4967, Alta.—4¼% debentures, due Apr. 15, 1952-71, $42,000. Issued June 5, 1951. Sold at $98.275 to Tanner & Co. Ltd.

Sturgeon School District No. 24, Alta.—4¼% debentures, due June 1, 1952-66, $91,000. Issued June 5, 1951. Sold at $97.796 to Tanner & Co. Ltd.

Two Hills School Division No. 21, Alta.—4½% debentures, due June 1, 1951-61, $42,000. Issued June 5, 1951. Sold at $100.015 to Tanner & Co. Ltd.

Westlock School Division No. 37, Alta.—4½% debentures, due June 1, 1952-71, $38,500. Issued June 5, 1951. Sold at $99.975 to Tanner & Co. Ltd.

South Brandon School District, Man. — 4%, 15-yr. annuities, due 1952-66, $12,000. Issued June 11, 1951. Sold privately.

Iberville School District No. 980, Man.—4%, 20-yr. annuities, due 1952-71, $50,000. Issued June 11, 1951. Sold privately.

Town of Perth, Ont. — 4% debentures, due June 1, 1952-71, $290,000. Issued June 11, 1951. Sold at $98.32 to Bartlett, Cayley & Co. and Dawson, Hannaford Ltd.

Town of Summerside, P.E.I. — 3% and 3½% debentures, due Nov. 1, 1951-60-70, $300,000. Sold at $90 to Dominion Securities Corp. Ltd. and Provincial Bank.

Village of Madoc, Ont. (for Central Hastings High School District)—4½% debentures, due June 30, 1952-71, $120,000. Issued June 11, 1951. Bought privately by Bankers Bond Corp. Ltd. and J. L. Graham & Co. Ltd.

Village of Notre Dame' d'Hebertville, Que.—3½% debentures, due May 1, 1952-66, issued May 31, 1951. Sold privately at $97.

Village of St. Clair Beach, Ont.—4½% debentures, due May 15, 1952-71. Issued May 31, 1951. Bought privately by Goulding, Rose & Co. Ltd.

Town of Petrolia, Ont. (for Petrolia High School District) — 4½% debentures, due July 1, 1952-61, $237,121. Issued May 28, 1951. Sold at $99.255 to Bank of Nova Scotia and J. L. Graham & Co. Ltd.

Township of Saltfleet, Ont.—4% debentures, due July 1, 1952-66, $16,535. Issued May 31, 1951. Sold at $96.56 to R. A. Daly & Co. Ltd.

Township of Charlotteville, Ont.—4½% debentures, due Nov. 1, 1951-70, $25,000. Issued June 4, 1951. Bought privately by Mills, Spence & Co. Ltd.

CORPORATE

Traders Finance Corp. Ltd.—3½%, 4% collateral trust notes series "M." Due June 1, 1952-56, $3,100,000. Issued June 1, 1951. Offered at $100 and accrued interest by McLeod, Young, Weir & Co. Ltd., Nesbitt, Thomson & Co. Ltd. and Gairdner & Co. Ltd.

COMMON

Calvan Consolidated Oil & Gas Co. Ltd.—125,000 shares. Sold at $6.03 per share, Canadian funds to George R. Gardner Ltd., Walwyn, Fisher & Co. Ltd., Doherty Roadhouse & Co. Ltd. and Wills, Bickle & Co.

COMPANY REPORTS

To assist readers in appraising and comparing company financial statements, The Financial Post has a uniform method of presenting corporation accounts. Variations from the companies' published reports are footnoted.

BURRARD DRY DOCK CO., North Vancouver, consolidated net profit for 1950 was $90,734, down 72% from previous year's $324,628.

Shipping activity on the West coast has shown a marked increase during 1951 to date and would indicate a more favorable result in company operations, says President Clarence Wallace.

Company at May 16 had two escort vessels and one gate vessel on order from the Canadian Government and actual construction of these vessels is well under way.

CONS. INCOME ACCOUNT

Years Ended Dec. 31:	1950	1949
Net earnings	$200,829	$577,997
Less: Deprec.	104,351	164,219
Income tax	57,000	180,000
Add: Nonrecurr. prof.	51,256	90,850
Net profit	90,734	324,628
Less: Cl. A divds.	112,500	112,500
Surplus for year	•21,766	212,128
•Deficit.		
Earnings per Share and Dividend Record:		
Class A‡	$0.36	$1.30
Class A*	♦	0.55
Paid	0.45	0.45
Class B•	♦	0.25
None paid.		

*Max. available for year under partic. clause.
‡Before (•after) participation.
♦No earnings available for participation.

CONDENSED CONS. BALANCE SHEET

As at Dec. 31:	1950	1949
Cash	$746,461	$683,253
Mkt. secs.†	3,302,257	3,078,842
Accts., etc., rec.	1,445,281	1,849,015
Inventories	800,865	754,055
Work in prog.	201,026	96,262
Total curr. assets	6,495,890	6,461,427
Prep. exp.§	22,874	23,425
Misc. assets♦	657,330	786,423
Fixed assets*	2,652,139	2,565,285
Total assets	9,828,233	9,836,560
Accts., etc., pay.	600,456	521,249
Tax pay.	44,851	252,184
Advances rec.	12,500	112,170
Total curr. liabs.	657,807	885,603
Divd. maint. fund	562,500	562,500
Conting. res.	94,000	364,079
Govt. subsidy	1,371,817	1,261,699
Capital stock	1,000,000	1,000,000
Capital surplus	266,157	266,157
Earned surplus	5,875,952	5,496,522
†Mkt. value	3,332,575	3,116,127
*After depr. of	7,854,873	7,825,112
♦Incl. ref. EPT	....	146,575
§Included in curr. assets in co's report.		
Working capital	5,838,083	5,575,824

Insurance Act Amendments Set Scale of Shareholders' Profits

Under an amendment to the Canadian and British Insurance Companies Act recently passed by Parliament, the proportion of profits from participating business which a company with capital stock can transfer to shareholders account for payment of shareholders dividends is set in a sliding scale according to the amount of the mean participating fund during the year.

Thus for companies with mean or average participating fund of not exceeding $250 millions, 90% of the profits must be available for participating policies, 10% remaining for shareholders.

When participating fund is between $250 millions and $500 millions the proportions of profits for participating policyholders and shareholders are 92½% and 7½%.

When participating fund is between $500 millions and $1,000 millions 95% and 5%.

When participating fund is over $1,000 millions, 97½% and 2½%.

Previously the amount that could be transferred to shareholders account was set at a general maximum of 10%. But some of the larger companies voluntarily reduced their appropriations to 5% and one, Sun Life, to 2½%.

U.S. $ Premium Fairly Steady

Since its mild flare-up at the end of May and beginning of June, the premium on U. S. dollars in Canadian funds has been fairly steady, being quoted on Tuesday this week at around 6 31/32% against 7¼% recently.

Foreign exchange men say they see no change in the general situation to affect the rate other than the recent adverse trade balance with the United States. (The Financial Post, June 9.)

Tourist trade in some quarters is mentioned as likely to offset the adverse trade balance, but in other quarters it is claimed it is not a big enough factor.

Recent borrowing in the United States by municipalities and provinces should help strengthen the Canadian dollar, as also would a heavy inflow of U. S. funds for investment here.

Staff Changes

Royal:

J. V. CORRIGAN, manager, King & Spadina, Toronto, to be inspector, assistant general manager's dept., Toronto.

E. A. HEADMANAK, assistant manager, Mt. Royal & St. Lawrence, Montreal, to be manager, Park & Bernard, Montreal.

J. W. HOUGH, manager, Lipton, Sask., to be manager, Lemberg, Sask.

A. D. PERLEY, accountant, East End, Vancouver, to be manager, Port Coquitlam, B.C.

A. C. HUTCHISON, manager, Newcastle, N.B., to be manager, Liverpool, N.S.

H. E. WYATT, supervisor's dept., Regina, to be staff officer, supervisor's dept., Calgary.

R. G. TAYLOR, Wallaceburg, Ont., to be accountant, Hamilton Rd. & Rectory, London, Ont.

G. M. DOYLE, Tramways Terminal, Montreal, to be accountant, Queen Mary & Decarie, Montreal.

Y. A. PILON, Edmundston, N.B., to be accountant, Limoilou, Quebec, Que.

C. A. LINDARS, accountant, Elrose, Sask., to be accountant, Balcarres, Sask.

R. C. LONG, Shaunavon, Sask., to be accountant, Abbey, Sask.

D. H. BROWN, assistant accountant, Moose Jaw, Sask., promoted to accountant.

R. H. LOCKWARD, Liverpool, N.S., retired.

Commerce:

G. K. CARTER, formerly accountant, Bloor & Lippincott, Toronto, to be manager, Bathurst & Lawrence, Toronto.

J. P. DOYLE, formerly accountant, Halifax, N.S., to be manager, Quinpool Road, Halifax.

T. P. DOYLE, formerly of Queen & University, Toronto, to be an assistant accountant, Spadina & College, Toronto.

A. J. PRATT, formerly accountant, Farnham, Que., to be manager.

ST. LAWRENCE CORP. and **ST. LAWRENCE PAPER MILLS CO.** have called their preferred shares for redemption on July 16 at following prices: St. Lawrence Corp. 1st pref., $55; St. Lawrence Corp. 2nd pref., $20; St. Lawrence Paper Mills 1st pref., $105; St. Lawrence Paper Mills 2nd pref., $60. Shares will be removed from trading list at close of business July 16: July 13 and 16 trading on cash basis.

F. H. DILLINGHAM

whose appointment as General Manager of Sales for Canada is announced by H. A. Rapelye, President of Continental Can Company of Canada, Limited. Mr. Dillingham, who was formerly Manager, General Line Sales, will continue to make his headquarters in Montreal. *

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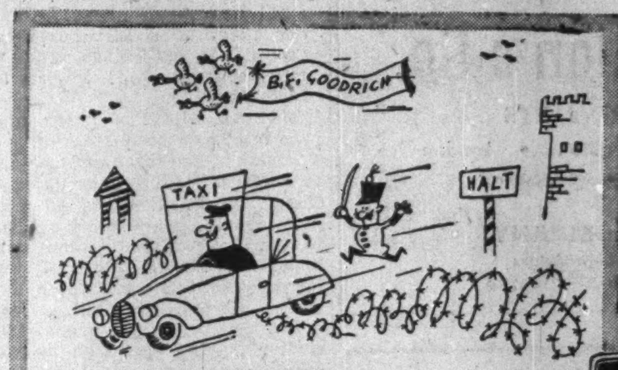
SOREL, QUE. School Commission has sold $189,000 3½% bonds due Dec. 1, 1951-70 and $106,000 4% due 1961-70 to Oscar Dube & Co. Inc. at 94.64. Net cost 4.535%. Proceeds for construction of school and residence. Provincial grant of $131,310 payable in 10 annual instalments.



A taxi-man plying for fares
Drove over a nail unawares.
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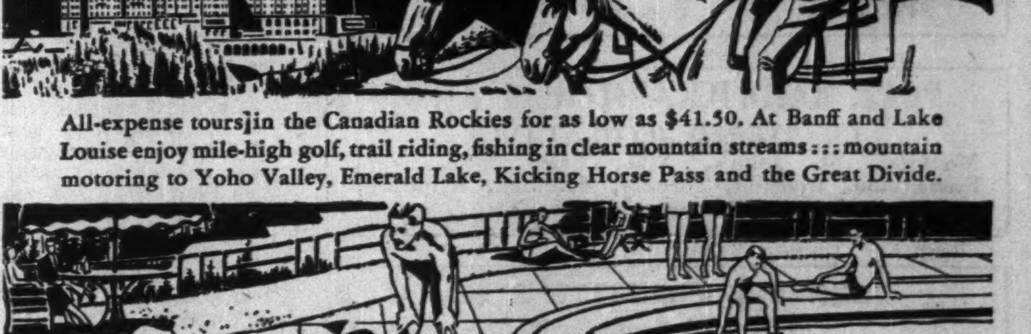

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Canadian Pacific

Value of Good Advice Urged on Legislators

Legislators proposing and supporting legislation relating directly to a particular business were urged by R. Leighton Foster, general counsel of the Canadian Life Insurance Officers Association, to get advice from experienced men in that business. Mr. Foster was speaking at the annual meeting of the CLIOA. Here is a digest of his address:

In the past year, 36 companies, representing 94.42% of the Canadian premium income of all member companies, contributed to the Public Health Fund of the Association. This fund, administered by the Standing Committee on Public Health, has been in existence for 25 years and grants aggregating approximately $900,000 have been made through it to support organizations and medical research projects to improve the health of the nation.

In addition upward of $150,000 have been expended through the committee on cancer research and in the printing and distribution of booklets on nutrition.

The Standing Committee also administers the Canadian Life Insurance Medical Fellowship Fund organized two years ago to strengthen further the Medical Research Departments of Canadian universities by offering a limited number of fellowships. Last year 25 of the 36 companies which contributed to the Public Health Fund supported the Fellowship Fund.

Grants from the Fellowship Fund to Medical schools of Canadian universities in the past two years totaled $56,300 and 13 fellowships in nine medical schools in five provinces (aggregating $53,500) have been approved for 1951-52.

Newfoundland Legislation

In the legislative field in Newfoundland, the Life Insurance Act was this year brought up-to-date. In 1943 this act was revised, but the amendments made in the other common law provinces in the intervening years had not heretofore been adopted by Newfoundland.

The only other Insurance Act amendments of importance to us were two in the Alberta Act. One requires all companies transacting life insurance in the province to be registered under one of the federal insurance acts. Similar provisions exist in the Insurance Acts of Manitoba and Nova Scotia. The second prohibits the imposition of municipal license fees on insurance companies licensed under the Alberta Insurance Act. This amendment was adopted to meet representations of the association respecting a new City Act adopted to govern the affairs of Alberta cities. This act, in the absence of the Insurance Act amendment, would have permitted cities to levy both business taxes and license fees against insurance companies.

A new Retirement Annuities Act was also passed in Alberta to establish a scheme of provincial annuities similar to the annuity scheme of the Federal Government. The annuities will be subsidized in that a 3½% rate of interest is to be used and all expenses of the plan will be borne by the Government.

We opposed the legislation on the ground that it will not fulfill the high purpose of its sponsors to help Albertans to help themselves in saving for their old age and was therefore an unwarranted invasion of a legitimate field of private enterprise. The experience under the federal Act has indicated that by and large it is the well-to-do investors in search of a bargain who take advantage of a subsidy of this kind. Furthermore it is hard to see any moral or logical ground for a government to subsidize a particular form of saving, more especially when that form of saving is already being made available by life insurance field representatives to a much larger cross-section of the public than will ever be reached by a government plan.

Hospital Plan

Three years ago British Columbia put a compulsory hospital insurance plan into operation and despite our protests effectively excluded the operation of all voluntary hospital care plans, including Blue Cross and insurance company plans. The Government plan was subsidized from the start, but as each year passes it seems to be running into more and more difficulties. The yearly deficits have been large and this year the premiums were raised for a second time and the benefits reduced. A Board of Enquiry of the Legislature has recently been named to investigate all of the operations of the plan, and it follows that there is now some ground for hope that the ensuing unsatisfactory situation will not continue indefinitley.

It is a matter of increasing concern to me that so many well-meaning legislators, sometimes Ministers of the Crown, are today proposing and supporting legislation relating directly to a particular business without first obtaining the advice of experienced men in that business. Even if they discount such advice for bias, legislators could acquire essential information and many practical pointers by so doing. Legislators who would deny vehemently any charge that they were socialistically inclined are these days too frequently advocating legislative measures that have ramifications they do not appreciate and that are essentially socialist in character.

Quebec now has an act dealing with photographic proof of documents of life insurance companies even though the legislation is not in quite as satisfactory form as the uniform provisions in force in the other provinces. All provinces and the Federal Government have now adopted legislation dealing with this matter. The legislation is timely because some member companies have already commenced a program of microfilming documents not in current use, and others plan to do so shortly. In some cases the plan has been adopted primarily to save the immense amount of filing space required to keep records. In other cases the microfilming process is being used to obtain duplicate records for safekeeping in the event that the originals are destroyed. In both types of circumstances the legislation will put the companies in a position to prove their records in court if they are called upon to do so and the originals are not available.

Federal Amendment

Last fall the Federal Minister of Finance announced that he would introduce at this session of Parliament an amendment to the Canadian and British Act to limit further the proportion of participating profits that may be distributed to shareholders. The limitation he proposed was in line with the voluntary practice of the companies over the years to reduce the percentage of participating profits alloted to shareholders as the companies grew in size. The proposal was therefore not opposed by the companies.

The probable effect of the Government's new old age security program on our business cannot be assessed accurately. However, if the experience in the United States is repeated in Canada, the over-all effect will probably be to make Canadians more conscious than ever of the need to provide for their old age by supplementing the benefits they will receive under the Government plan. Our companies and their agency forces can do a great deal toward familiarizing Canadians with the Government's plan and encouraging people to take the initiative in making adequate provision for their old age.

War Clause

Shortly after the outbreak of hostilities in Korea the companies found it necessary to control adverse selection against them by members of the armed forces and civilians likely to become exposed to the risks of war. The risk of war is one of the unpredictable hazards that is not taken into account in the premium calculations of the companies.

The methods of controlling adverse selection differed among the companies. Some restricted terms under which policies would be issued to applicants likely to be exposed to the risk of war by service in the armed forces or otherwise. Other companies adopted war clauses. There is no uniformity in the practices of the companies, although there has been a trend during the year toward the adoption of contractual restrictions in policies issued to applicants in the group most likely to be exposed to extra risk. The terms of the contractual restrictions are substantially uniform in effect among the companies using them. The desirability of uniformity of practice of the same degree as existed during the last World War has of course been considered. Undoubtedly some confusion in the minds of the public would disappear if uniformity existed.

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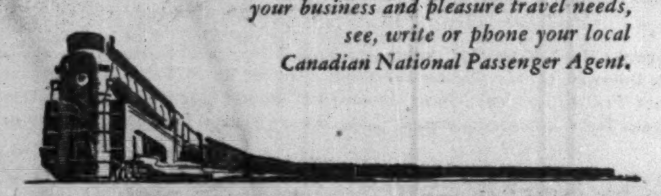

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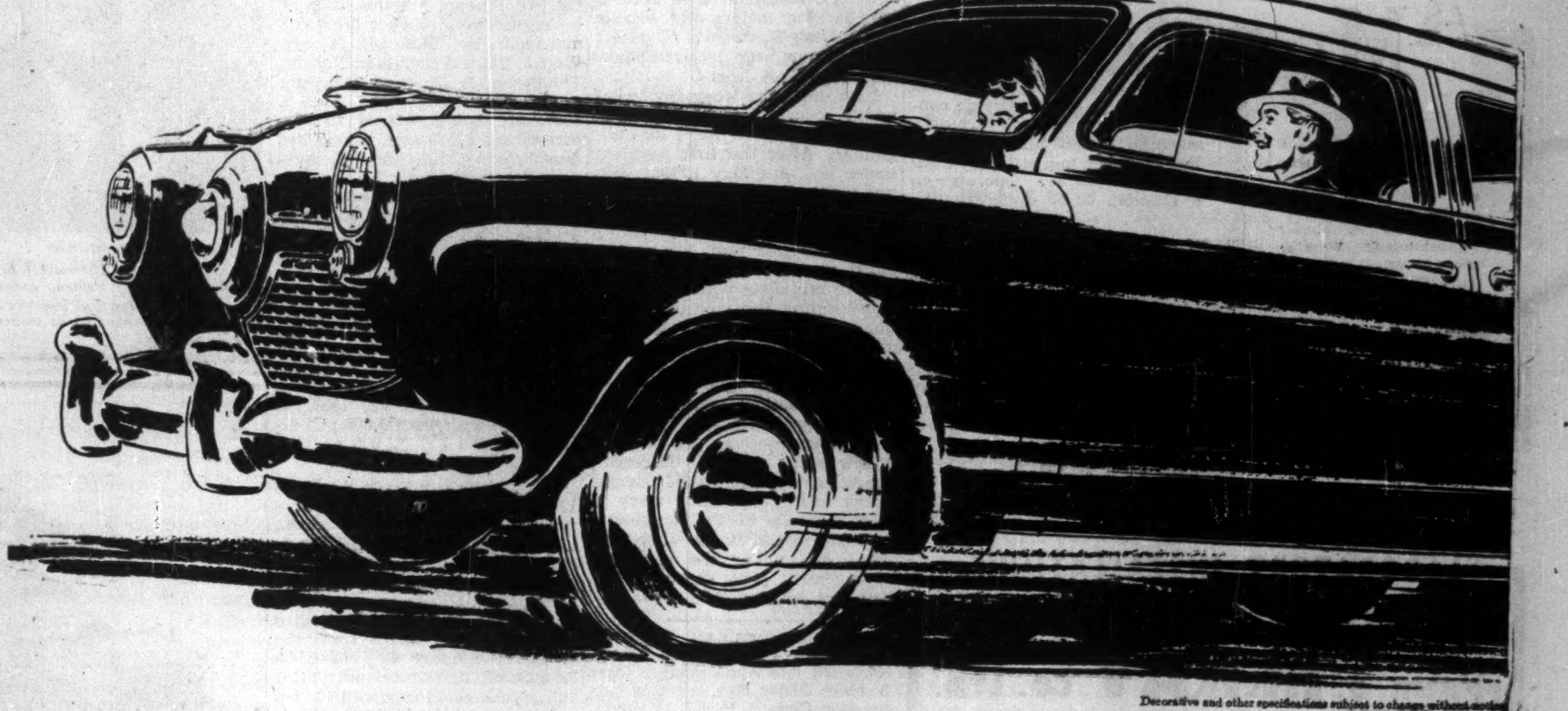

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In the 1951 Mobilgas Economy Run, a Studebaker Commander V-8 led all other eights in actual miles per gallon!

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Drive this Commander V-8—you'll want to own it right now!

SEE YOUR NEAREST STUDEBAKER DEALER

BUILT IN CANADA . . . BY CANADIAN CRAFTSMEN

Man bites man . . .

Mark Twain once observed that the principal difference between a dog and a man is that if you pick up a starving dog and make him prosperous, he will not bite you. It is undoubtedly true that human beings are uncertain, coy and hard to please. If you do too much for a man it hurts his ego, and he hates you for it. And if you don't do enough you are classed as thoughtless and selfish.

This is only one of the many perverse traits in human nature, so it really was not surprising to learn that a recent poll found that the pet peeve of Canadians was not inflation, but "disagreeable people". We suspect that "disagreeable people" are those who disagree with one's own views.

At any rate, it seems impossible for any individual to please all the people even some of the time. But whenever a man seems to be particularly unpopular, even with himself, he can console himself with the thought that he is not completely useless. As somebody once remarked: "If you serve no other purpose you can at least be a horrible example."

* * *

Speaking of horrible examples, we could give you plenty of a different sort from our experience in the field of medical care by prepayment. But we won't, because you yourself probably know many people who have spent years paying off debts brought about by unexpected and serious illness. In fact the loan companies report that more money is borrowed to pay medical and hospital bills than for any other reason. Even if such bills are not a problem to you, they may be to your employees. Have they some plan to protect them against the high cost of sickness? And if they have, is it the best plan available—A.M.S. Group Medical Service?

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AMS Group Medical Service is a low cost plan for protection of employee groups of ten or more against medical and surgical expenses, with or without hospital benefits. Write or phone for details today.

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What's New

New Products, Applications and Ideas Gathered from World-wide Sources or Made in Canada for the First Time

Manufacturers of products which are either completely new or are being made in Canada for the first time are invited to contribute to this column. Describe the product, state its purpose, outline in what respect it is new, and indicate its significance to its field.

Enquiries concerning items in this column should mention the heading to the item, and the date of issue in order to ensure prompt reply.

Aluminum Tile

Sheet aluminum tile is claimed to have great strength. Made of Alodine-treated aluminum and finished with a special ink coloring, tile is baked into metal with infra-red ovens. Said not to crack, chip or peel, and to be water resistant, tiles come in 12 by 16 inch sheets with 12 tiles to a sheet.

* * *

If You Can't Swim

To be safe in a boat or around water, try a life saver vest. Only 16 ounces in weight, vest is claimed five times more buoyant than cork. Stuffed with Kapok, vest has no metal parts to rust or corrode, and is painted bright orange for high visibility.

* * *

New Emergency Adaptor

New adaptor makes it possible to administer oxygen from an industrial type oxygen regulator and a cylinder of oxygen. Adaptor converts pounds per square inch pressure to liters-per-minute flow. Useful in emergencies in industrial plants and in civilian defense, when hospital type regulators are not available, adaptor is made of chrome, for long service. Small and lightweight, it can be carried in glove compartment or bag of physician.

* * *

Reads Continuously

New photoelectric instrument measures and records automatically the amount of suspended particles in a liquid. Giving continuous readings of turbidity, machine consists of bronze sampling chamber and strip or circular chart recorder. Operates on a 115-volt, 50/60 cycle circuit.

* * *

Plastic Shades

Made from Vinylite plastic, window shades are completely washable, waterproof and flame-resistant, sun-fast and opaque. Coming in four colors, shades have bonded hems and are fastened to the rollers by patented tear-proof process.

* * *

German Camera

New 35 mm camera has f: 3.5 5/50 lens, built in flash synchronization, a synchronized shutter and shutter speeds from 1 to 1/300th second. Item has built-in self-timer for delayed action shots and an eye-level optical viewfinder as well as a large viewing area.

J. ROYDEN GILLEY

has been appointed director of university extension, University of Toronto.

* * *

Mower Resists Rust

New electric lawnmower weighs only 45 pounds. Motor and blade are enclosed in plastic colored housing which cannot rust or corrode and is not easily dented or chipped. Wheel discs are also made of Laminac plastics. Easy to guide, mower cuts 16-inch swath of grass on both forward or backward movement.

* * *

Helps Keep Away Colds

Small instrument housed in plastic purifies air and is said to cut bacteria count in a room as much as 100%, and be very helpful in cutting down colds, measles, epidemics in schools, factories, etc. Device contains a new chemical, triethylene glycol which is vaporized at the rate of one pint solution every 300 hours. Vapors are odorless and harmless to humans, and help to clear the air of odors.

* * *

Garden Hose to Fight Fire

Ordinary garden hose can now be converted into a fire-fighting weapon, when equipped with gun-type nozzle which makes fog spray to blanket and extinguish small fires. Fog nozzle also helpful for cellar dust laying, window washing.

* * *

One-Piece Handle

Sterling knives have been made more durable by company producing handles in one piece. Having no seams, knife will not discolor along soldered edges, and water cannot seep into handle. Fine cement fill is used instead of lead, eliminating dents if knife is dropped.

* * *

New Catalogues

Drilling Machine — Wales-Strippit of Canada Ltd., Hamilton, Catalog DM describes new Wales drilling machine for precision layout drilling and reaming of holes.

Utah Electronics Bankrupt, Blame High Inventories

MONTREAL (Staff)—Formed in 1944 to manufacture loudspeakers, magnetic tape recorders, parking meters and bicycle horns, Utah Electronics (Canada) Ltd. has now been declared bankrupt, The Post learns.

Last fall, the company went under a creditors' arrangement when it could not meet its obligations. After the first payment under this, due May 1, 1951, was not made, the company was declared bankrupt May 26.

Main reason for the company's difficulties last year, it's understood, was an overstocked inventory of recorders without a sufficient selling force or dealer organization established. Attempts were being made to whittle down the inventory and get back in shape through advertising and sales promotion and establishment of dealers across the country and creditors agreed to allow a few more months. However, conditions apparently did not improve materially and, when a deal for sale of the company's building to satisfy the first payment due under the creditors' arrangement fell through, the payment could not be made.

H. R. MACMILLAN EXPORT: Additional 14,852 Class A shares converted into equal number Class B shares during May, reducing outstanding Class A to 487,138 shares, increasing outstanding Class B to 2,516,818.

Traders Fin. Notes Offered

An additional issue of $13 million collateral trust notes, series "M," of Traders Finance Corp. is being offered through a syndicate managed by McLeod, Young, Weir & Co. and including Nesbitt, Thompson & Co. and Gairdner & Co. The notes, dated June 1, 1951, are being offered in two maturities: 3½% one year notes due June 1, 1952, and 4% five-year notes due June 1, 1956. Offering price in each case is 100 and accrued interest to yield 3½% and 4% respectively.

Proceeds will be used for corporate purposes.

Volume of business handled by Traders Finance has shown a substantial increase in each of the postwar years. The amount of notes receivable, after full provision for doubtful accounts, was $83,220,000 at Dec. 31, 1950, as compared with $53,825,000 at Dec. 31, 1949, and $11,361,000 at Dec. 31, 1946.

In the four months to April 30, 1951, the company experienced a substantial increase in business over the same 1950 period, President A. E. Naylor says in the prospectus. The volume of retail and wholesale obligations purchased during the 1951 period totaled $112,500,129, up 47.1% from the comparable figure of $76,504,143. As a result, notes receivable, after full provision for doubtful accounts, totaled $108,152,000 at April 30, 1951 ($69,414,000 at April 30, 1950).

Gross earnings for the first four months of 1951 are considerably over those in the corresponding period of 1950, Mr. Naylor says.

Capitalization, outstanding on completion of the financing, consists of $88,250,000 of collateral trust notes (including $25 millions securing bank borrowings); $10,595,000 of sinking fund debentures; $3,500,000 4½% preferred stock; 209,320 n.p.v. Class "A" common shares and 120,000 n.p.v. Class "B" common shares. There are outstanding 13,653 series "A" and 6,171 series "B" income funding rights with a total face value of $507,287.

Bond Yields Up In All Groups

Average yield as compiled by McLeod, Young, Weir & Co. for 40 bonds at June 1 was 3.95% as compared with 3.86% a month earlier.

Average yields of provincial, municipal, public utility and industrial groups all showed an increase over the average yields of the previous month.

Hydro-Electric Power Commission of Ontario 3% June 15, 1973, was replaced by HEPC 3½% May 1, 1966, in the provincial group.

	May 31 1950	May 1 1951	June 1 1951
10 Provincials ..	3.12	3.66	3.69
10 Municipals ...	3.44	3.97	4.11
10 Public Util. ..	3.33	3.86	3.98
10 Industrials ...	3.48	3.96	4.00
40 Bond Average	3.34	3.86	3.95
Aver. Maturity .	17 yrs. 1 mo.	16 yrs. 7 mos.	16 yrs. 2 mos.
Gov. of Canada .	2.73*	3.21‡	3.21‡

*3% Sept. 1, 1966.
‡2¾% June 15, 1968.

Fleet Mfg. Has $4 Million Orders

Fleet Manufacturing Ltd., Fort Erie, Ont., has firm contracts or letters of intent covering between $4 million and $5 million of defense work, Vice-President T. R. Harrison says.

Company has started tooling up on contracts in hand. An adequate supply of trained labor exists in the company's area, Mr. Harrison says. Fleet Manufacturing was known as Fleet Aircraft and made aircraft during World War II.

JACKNIFE GOLD MINES has terminated its financing agreement with Astral Mining & Resources.

Mtl. Commission Takes Over Tramway Shares

MONTREAL (Staff) — With a big 73.47% of the outstanding Montreal Tramways Co. shares already acquired under its $60 per share offer made last month, Montreal Transportation Commission has served notice that the balance of the stock has now become its property. This is in accord with provincial legislation passed earlier this year. The Commission took over the Tramways Co. this week.

In a notice in the Quebec Official Gazette, the Commission states that 51,432 out of 70,000 outstanding shares have been acquired at $60 each, "consequently the remainder of the capital stock of that company shall become the property of the Montreal Transportation Commission, in its capacity as mandatory of the City of Montreal, from the date of the last publication of the present notice . . ." The notice was run twice in the Gazette and twice in two Montreal papers.

As this total is over two thirds of the number of outstanding shares, the balance can now be acquired at $60 each by the Commission.

Of the 51,432 shares acquired so far, 38,336 were obtained from United Securities Ltd., controlled jointly by Quebec Hydro and Shawinigan Water & Power Co.

CONSOLIDATED ROCHETTE MINES May 22 option installment was not exercised and financing agreement has been terminated.

WILLIAM FINDLAY

Treasurer of Ortho Pharmaceutical Corporation (Canada) Limited, whose appointment to the Board of Directors of the Company was announced at their recent Annual Meeting.
*

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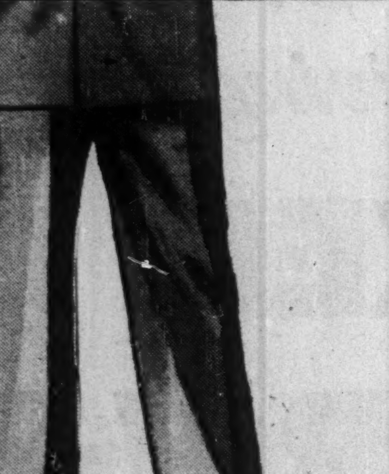
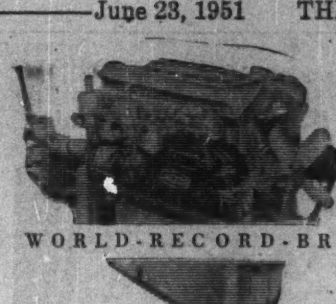
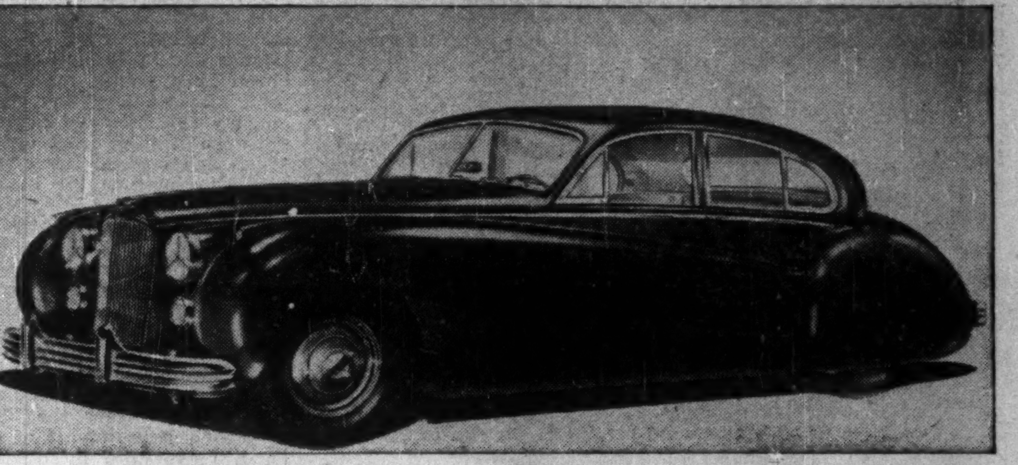


DAKS suits

One great advantage that a Daksman has is that his Daks suit in our famous worsted flannel looks as good for business as for leisure. Whether he chooses dark grey, medium grey or lovat he has a perfectly cut casual suit in a fine botany worsted which hardly ever gets a chance to stay in his wardrobe. Canadian men will find as Englishmen have found that it cuts out the problem of "What shall I wear?" completely.

At many leading department and men's specialty shops. For your nearest dealer write to Daks Canada Ltd., 43 Richmond St. W., Toronto.





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THIS is a car such as Canada has never seen. A new and different Jaguar—with more power, much more room and indescribable beauty. Powered by the world-famous XK120 motor, which develops 160 h.p., this Mark VII Sedan is capable of speeds in excess of 100 m.p.h. with noiseless, effortless ease. Roominess abounds everywhere in its stately interior, providing complete comfort for five people. Its totally enclosed luggage space accommodates four large suitcases, four big golf bags and other smaller items. Exceptionally wide-ranging visibility, finger-light but positive steering, new extra-powerful vacuum servo-assisted braking and superb suspension all ably complement its remarkable performance. But only when you see and drive it will you know that here indeed is the most distinguished car of our time. Demonstrations, sales and service from any of Jaguar's official Agents throughout Canada. The Jaguar range now consists of The Mark VII 160 h.p. Sedan, The Mark V 3½ litre 125 h.p. Sedan and Convertible and the XK120 150 h.p. 2-seater Open Sports and Fixed Head Coupe.

Jaguar Distributors: HALIFAX, NOVIA SCOTIA: Murch Motors Ltd. MONTREAL: Budd & Dyer, 5028 Sherbrooke Street West. OTTAWA: Waverley Motors Ltd., 180-190 Driveway. QUEBEC: Giguère Automobile, Ltée, 501 Rue St. Vallier. TORONTO: James L. Cooke Motors Ltd., 2489 Bloor Street West. VANCOUVER: Plimley Automobile Company Ltd., 2277 West 4th Avenue. VICTORIA: Thomas Plimley Ltd., 1010 Yates Street. WINNIPEG: James L. Cooke Motors (Western) Ltd., 818 Portage Avenue.

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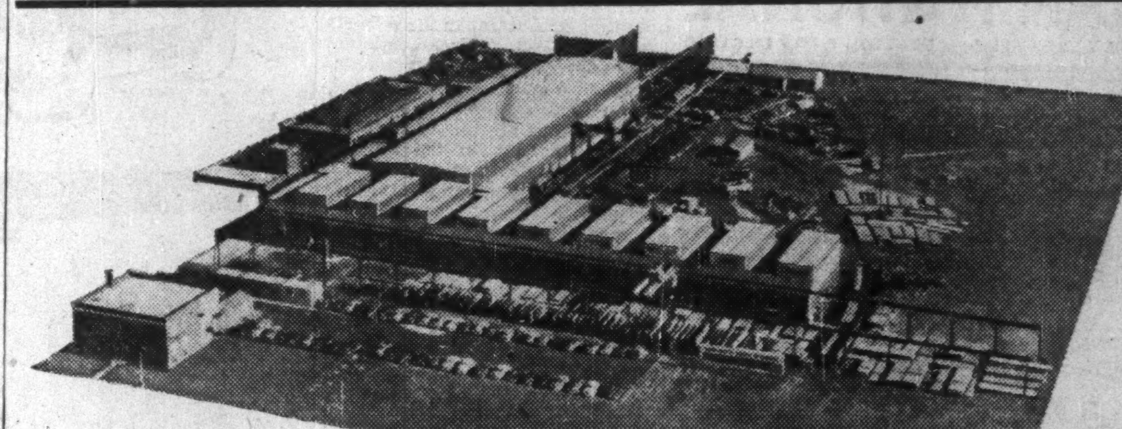

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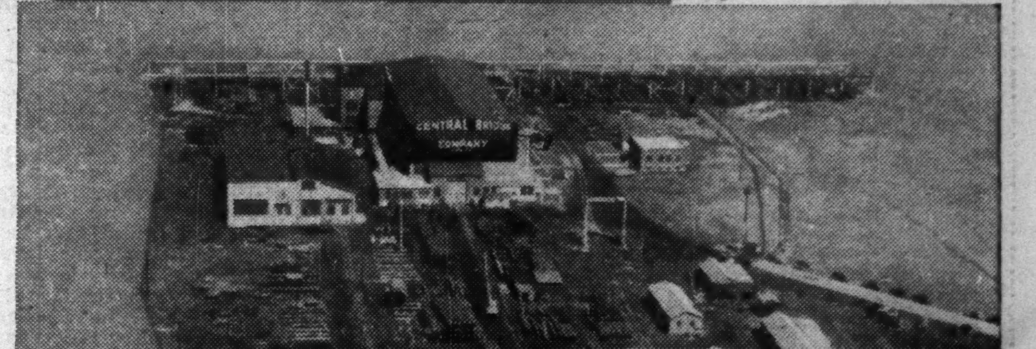

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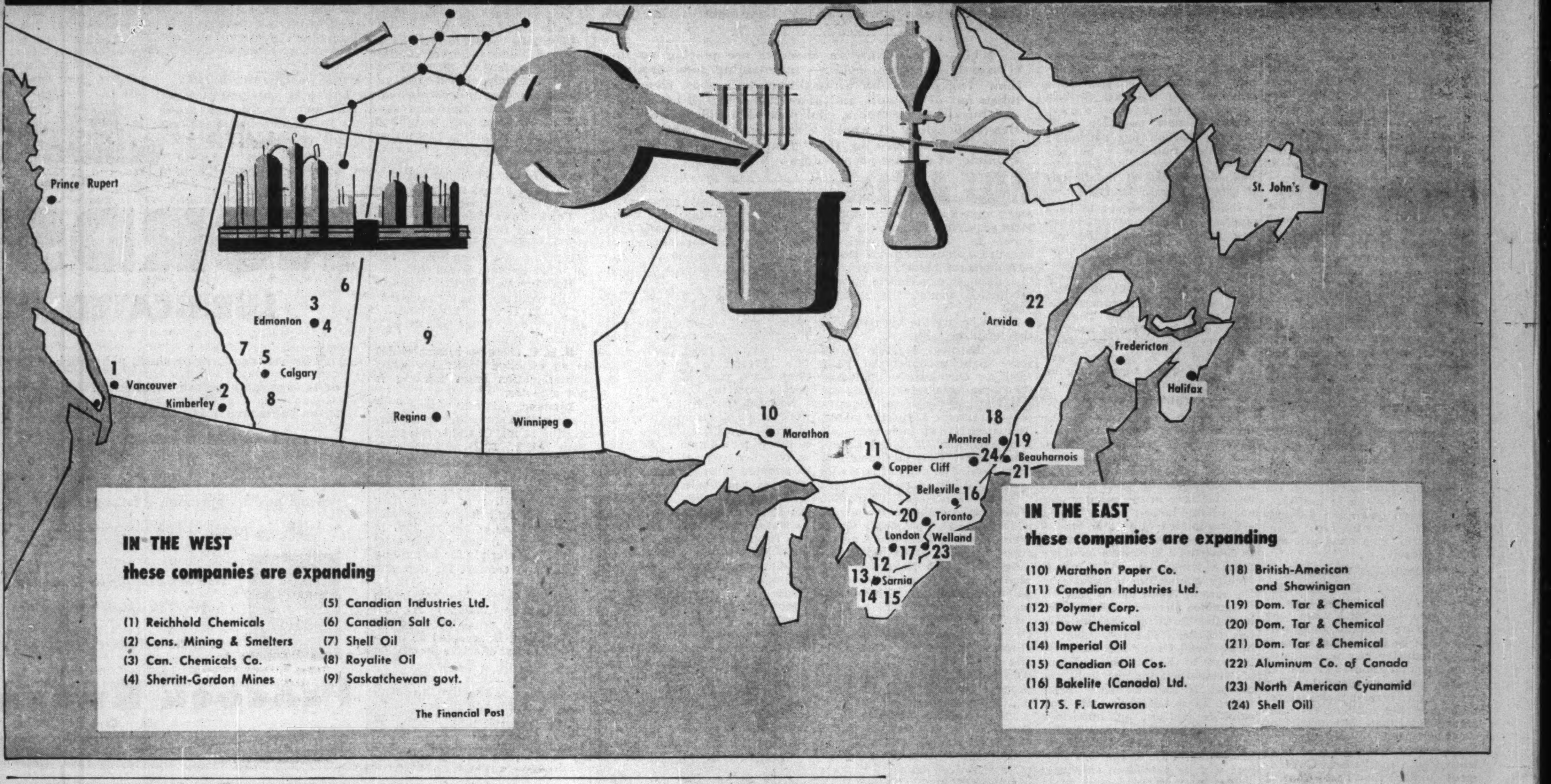
Test Tube Magic Is Creating a New Canada

Watch These Bright Spots in Our Fastest-Growing Industry



IN THE WEST

these companies are expanding

(1) Reichhold Chemicals
(2) Cons. Mining & Smelters
(3) Can. Chemicals Co.
(4) Sherritt-Gordon Mines
(5) Canadian Industries Ltd.
(6) Canadian Salt Co.
(7) Shell Oil
(8) Royalite Oil
(9) Saskatchewan govt.

The Financial Post

IN THE EAST

these companies are expanding

(10) Marathon Paper Co.
(11) Canadian Industries Ltd.
(12) Polymer Corp.
(13) Dow Chemical
(14) Imperial Oil
(15) Canadian Oil Cos.
(16) Bakelite (Canada) Ltd.
(17) S. F. Lawrason
(18) British-American and Shawinigan
(19) Dom. Tar & Chemical
(20) Dom. Tar & Chemical
(21) Dom. Tar & Chemical
(22) Aluminum Co. of Canada
(23) North American Cyanamid
(24) Shell Oil)

Our Expanding Chemical Boom

By W. L. DACK

When we can take natural gas, air, water, and make fertilizer or explosives;

Or take waste gases from an oil refinery and make raw materials for plastics, rubber, textiles—

Then the limit of chemistry's magic is only the limit of man's mind.

Each year the magic extends a little further, becomes more a way of producing goods, a way of life.

Gradually, it has become the biggest industry in the U. S. In another five to ten years it could become the biggest industry in Canada.

Chemistry's leaders know this. Their thinking, and the story their drafting boards are telling is one of a new Canada some ten years hence. Because most of their $150 millions of projects getting under way this year are new to Canada, are based on market and economic studies that can only serve as rough guide-posts to the future, decisions are being made in an atmosphere of faith and adventure.

Take the more than $75 millions of projects planned in the petrochemical field. Practically all of this will be for products never before produced in this country; products made out of raw materials we can't even see with names we can hardly pronounce and with markets strengthened by our defense preparedness economy.

But now is the time of decision for Canada's chemical companies. To grow in measure with the new set of potentialities, chances have to be taken—and taken quickly, for more than one will be eyeing the same market. The reward for the company which first pins its pennant to a new product, or new process, can be tremendous.

Petrochemicals

Look where the biggest developments are taking place today, in the petrochemical field—where products now possible from natural gas or petroleum gases will at least double the stature of the industry in this country. This week in announcing a new $3 million project for Montreal East, Shell Oil Co. of Canada stamped the Shell trademark on a new industrial chemical for this country—isopropyl alcohol. This multipurpose chemical—all imported up to now—is a building block for hundreds of end products.

Another petrochemical project for Montreal East, formed jointly by British American Oil Co. and Shawinigan Chemicals Co., will manufacture synthetic phenol for the first time in this country. Almost 6 million lb. of this was imported last year chiefly for use in the plastics industry. Acetone produced for the first time from refinery gases, will be a second product in both cases.

Out in Edmonton, Canadian Chemical Co. (new Canadian subsidiary of Celanese Corp. of America), will turn out a broad range of industrial chemicals—most of them new for this country—along with cellulose acetate. The operation will be based on natural gas.

In a third petrochemical plant planned for Montreal East, Dominion Tar & Chemical Co.'s first product target will be ethylene-glycol but plans are being studied for further products along the ethylene highway.

Shawinigan Chemicals has purchased 460 acres at Varennes, near Montreal, where plans are to develop an industrial site. Company experts are actively studying a plan to build a chemical plant here for production of certain chemical materials basic to such synthetic fibres as Orlon, dynol, Chemstrand, etc. Petroleum gases—also from Montreal East—would be a source of raw materials.

The Economic Impact

At Sarnia, property has been purchased by one of the largest carbon black manufacturers in the United States. Canada has been importing all her carbon black up to now from the U. S. at an annual rate of around $4 millions. Other projects in the area are only awaiting availability of more of the all-important refinery gases. These will be forthcoming from large scale refinery programs now under way for Canadian Oil Cos. and Imperial Oil Ltd.

The impact of all this on Canada's economy will be tremendous. We'll still be assessing its importance for years to come—it's that big and expandible.

By that time Alberta may have become a second chemical Texas. Look at what she has to offer: refinery gases going to waste daily from new and expanding plants both in Edmonton and Calgary; daily growing reserves of natural gas with and without sulphur, tremendous coal reserves, bituminous sands, large deposits of salt, clay and limestone and extensive areas of timber.

In a world whose chemical appetite is outrunning plant capacity, the direction of industry expansion must inevitably be towards the raw material sources, regardless of whether there is a major market at hand or not. If development in Alberta follows the same pattern as that of the petrochemical industry in the U. S., then it won't be long until markets come to the basic plants for their principal and by-product chemicals and gases. Special chemical products of higher unit value, because of advantageous production conditions, could overcome long freight hauls and compete on a continent-wide or even world-wide market. Some of the most likely plant developments would be along the lines of plastics, pesticides, synthetic detergents, pharmaceuticals.

Already under way or planned in this fast developing province are new chemical projects totalling some $75-$80 millions. They include plants to make flake or synthetic fibre, essential organic chemicals, caustic soda and chlorine, explosives, sulphur and extraction of base metals. The chemical base is being laid both wide and deep.

But there isn't a chemical company in the country which hasn't an expansion program under way or planned in this, the greatest forward spurt in the industry's history. Looked at on a per capita basis, we are growing faster chemically than any other country in the world.

Role in Defense

Many of the current projects are superimposed on previous postwar expansion programs thought to be completed. The question now arises—how important a factor in companies over-all planning has been Korea and the general war tension with its stepped-up defense program?

This question was asked of a top official in the Chemical and Explosives Division of the Department of Defense Production (it's part of their job to screen all expansion projects in the industry and to decide whether they are important enough to be given essential steel, etc.). This was his answer:

"It has speeded up the time-table of some of the projects, that's all. Most of them would have materialized any way. Even a sudden clearing of the war atmosphere or a let down in business, or both, wouldn't take any of the steam out of them."

Ottawa's current appraisal of the industry and its potential in an all-out war effort has undergone considerable change even since World War II. Official thinking is this—it's better to be prepared for whatever might come and there is no better way of doing this than to grant priority for essential construction materials to new basic chemicals projects. The more than $11 millions of projects for beating the sulphur shortage, the petrochemical projects whose organic chemicals can march to war or peace, a $9 millions for chemical fertilizer, have all been given the nod on procurement of essential materials.

The Plastic Field

There has been a growing respect for the dual—war and peace—role that many plastics can play. Polyethylene plastic has been ranked as one of the major critical shortage items both here and in the U. S. This new plastic can go to war in a wide range of applications from insulation material for field intercommunication wire to packaging for ammunition. Canadian Industries Ltd. is currently studying plans to manufacture polyethylene flake in this country, thereby freeing Canada from dependence from outside suppliers.

The reinforced polyester resins, the vinyls, nylon are just a few of the other plastics with important military applications.

For rapid growth, no division of the chemical industry can touch the record of plastics resin manufacturers. Production jumped 47% last year (over '49) and will keep climbing this year as long as raw materials are available. Wider and ever wider applications in industrial uses are perhaps the biggest factor in the market climb. The manufacturers of refrigerators, radios, television sets, washing machines, vacuum cleaners are all turning increasingly to plastics as the answer to shortages and zooming prices of such traditional material as rubber, stainless steel, wood, etc.

At least three of the current construction projects will have wide implication for the plastics industry. They are: the B.A.-Shawinigan program in its manufacture of synthetic phenol—a basic chemical in the manufacture of the phenolic plastics; the Canadian Chemical Company's Edmonton project in production of methanol, paraformaldehyde, etc.; and Bakelite Canada Co. in its plans to manufacture formaldehyde at its Belleville plant. (Last year 22,232,000 lb. had to be imported from the U. S.). All of these projects will make available—in certain instances for the first time in Canada—essential chemicals for manufacture of a broad range of plastic resins.

The Bargaining Position

The chemical industry was more pleased with the spirit behind the recent budget tariff changes than with the changes themselves. Actually, the tariff adjustments won't make much difference, chemical spokesmen say. Certainly not right away since most of the items affected are in short supply in both the U. S. and Canada anyway. The rare occasion where tariff changes would benefit Canadian producers much would come in peak demand periods where for some reason domestic producers happened to have the chemical items affected available for export.

Take chlorine. It is one of the broad list of chemical elements and compounds whose tariff barrier into the U. S. has been halved from 25% to 12½%. But now when Canadian firms could possibly compete in the U. S. on this item, domestic market can readily absorb total output.

Generally speaking, on the chemicals at least the U. S. did not deviate much from her traditional stand barring out manufactured goods. Most of her concessions were on raw materials, or semi-processed items. Tariff authorities readily agreed however, that the fast changing chemical picture offers a wide field for "hoss-trading." This in itself could bring worthwhile tariff adjustments later.

One of Canada's biggest concessions—and one which has caused considerable concern among agricultural chemical producers—was on pesticides. The 7% tariff protection against U. S. insecticides and herbicides was dropped. This will hit heavily at domestic formulators of such big volume products as 2, 4-D and DDT who claim that they cannot compete with the large, integrated U. S. chemical firms in this field.

The tariff change is bound to swing a larger portion of the annual $16 million-and-growing pesticides market over to the U. S., they say. At least one large Canadian chemical company with U. S. affiliations which has been planning entering the pesticides manufacturing field in this country has now abandoned its plans. Two other established firms have dropped expansion studies.

The solid part of the new wave of expansion in the chemical industry is that it is based mainly on domestic market potential. Officials are not counting too much on export. What opens up there will be so much "extra." They do think, however, that Canada's current expansion and diversification program will gradually improve the industry's bargaining position on world markets.

Officials are not pinning too much significance on the past year's 30% jump in exports (most of it to the U. S.). They look on some of the increased export demand as reflecting stepped-up defense programs in the U. S. and for that reason probably nonrecurring. Gains were recorded for acids, pharmaceuticals, paints, explosives, inorganic chemicals.

Fertilizers still account for some 38% of our total exports.

Despite a record annual jump in exports, our net position wasn't much better, since imports were up almost a like amount (85% of the total coming from the U. S.).

Dollar Volume Gains

In 1950 the industry continued its annual increase in dollar production of goods which started in 1946 and last year reached a new peacetime peak of $636 millions. This is roughly four times 1939 dollar volume compared with a three-fold advance for all industry. Since the index of wholesale prices for chemicals and allied products has advanced about 57% over the 11-year period, it appears that actual gain in physical volume was considerably more than the 85% gain for industry as a whole.

All but one of the industries in the chemicals and allied groups show substantial gains in output in 1950 compared with the previous year. The percentage increases were as follows: coal tar distillation 1.1%; heavy chemicals 14.5%; compressed gases 2.2%; fertilizers 2.7%; medicinals 5.6%; paints 9.5%; soaps 3%; toilet preparations 12.8%; inks 13.1%; adhesives 13.4%; polishes 10.2%; primary plastics 46.7%; miscellaneous 13.5%.

Output from the vegetable oil industry declined 11%.

Pharmaceuticals

The pharmaceuticals division of the industry has become the third largest dollar producer, last year turning out goods with

(Continued on page 31)

The Expansion Details

Here are the details of the expansion program in Canada's chemical industry and the closely-allied oil refining field, a program which now adds up to expenditures of close to $150 million on announced costs and reliable estimates.

1—**REICHHOLD CHEMICALS** has opened first unit of $250,000 Vancouver plant to manufacture resin for plywood; already has unit in Toronto; third unit being planned for Montreal.

2—**CONSOLIDATED MINING & SMELTING CO.** will build $9 million fertilizer plant at Kimberley; to produce 70,000 tons of ammonium phosphate annually.

3—**CANADIAN CHEMICALS CO.** to start soon on $50 million petrochemical project near Edmonton, to produce cellulose acetate and some dozen industrial chemicals. Operation based on natural gas.

4—**SHERRITT GORDON MINES** to construct $17 million refinery in Alberta to extract nickel and copper by new chemical process based on natural gas. Ammonium sulphate fertilizer will be produced in the process.

5—**CANADIAN INDUSTRIES LTD.** will build $4 million explosives plant near Calgary; will use new technique in plant layout.

6—**CANADIAN SALT CO.** plans chlorine-caustic soda plant based on salt deposits near Lindbergh, Alta.

7—**SHELL OIL CO.** will build $500,000 plant in the Jumping Pound Field to extract 12,000 tons of elemental sulphur a year from natural gas.

8—**ROYALITE OIL CO.** plans to extract some 8,000-9,000 tons of elemental sulphur annually from Turner Valley natural gas.

9—**SASKATCHEWAN GOVERNMENT** is increasing sodium sulphate capacity sharply as result of increasing demands from the pulp and paper industry.

10—**MARATHON PAPER MILLS OF CANADA LTD.** going ahead with foundation work preliminary to actual construction of proposed chlorine plant at mill site on north shore of Lake Superior.

11—**CANADIAN INDUSTRIES LTD.** will construct new plant at Copper Cliff to produce some 90,000 tons of liquid sulphur dioxide annually. Based on waste smelter fumes from International Nickel's refinery, project will be largest of its kind in the world.

12—**POLYMER CORPORATION** at Sarnia is in the middle of a $9 million expansion program which will boost rubbermaking capacity by 25%.

13—**DOW CHEMICAL CO.** constructing anhydrous ammonia plant and expanding chlorine-caustic soda facilities at Sarnia.

14—**IMPERIAL OIL** expanding refinery capacity at Sarnia by 30%.

15—**CANADIAN OIL COS.** $18 million refinery under construction at Sarnia. With Imperial's expansion, this will make available substantial additional supplies of much-needed petroleum feed-stocks for further petrochemical projects. Cabot interests in Boston have purchased 10 acres from Polymer and are reported planning construction of Canada's first carbon black plant.

16—**BAKELITE CO. (CANADA) LTD.** expansion plans for 1951 include: formaldehyde plant capable of supplying entire Eastern Canada market; additional capacity in resin-producing division, installation of equipment to produce both molded and convolute-wound tubes, etc.

17—**S. F. LAWRASON** at London, Ont., completes new type distillation plant for production of fatty acids.

18—**B.A.-SHAWINIGAN LTD.** will construct $4 million petrochemical plant at Montreal East to produce acetone and phenol; operations based on refinery gases from B.A.'s modern expanded refinery.

19—**DOMINION TAR & CHEMICAL** will construct $7 million plant to produce ethylene-glycol and associated chemical products from refinery gases at Montreal East.

20—**DOMINION TAR & CHEMICAL** spending $1.6 million to expand phthalic anhydride plant at Toronto.

21—**DOMINION TAR & CHEMICAL** will expand chlorine plant at Beauharnois at cost of around $600,000.

22—**ALUMINUM CO. OF CANADA** to start construction soon of $1-1.5 million plant at Arvida, Que., to make sulphuric acid by treating zinc concentrates from Barvue Mines.

23—**NORTH AMERICAN CYANAMID** begins $4.5 million expansion and special equipment program at its Welland and Niagara Falls chemical plants, connected chiefly with manufacture of raw materials for propellants for national defense. Program also includes $1.5 million pharmaceutical plant at Montreal.

24—**SHELL OIL OF CANADA** will construct $3 million chemical plant at Montreal East to produce two industrially important chemicals—isopropyl alcohol and acetone. First petrochemical plant of its kind in Canada, it will produce initially some 20 million lb of the two products annually. Will use propylene gas from Shell's Montreal East refinery.

Where Will Chemicals Go: Food or Firepower?

Defense Preparedness Brings Fertilizer Industry Problem

White-coated Canadian chemists are playing an increasingly important role — maintaining food production. The production of fertilizers to replace elements taken out of the soil, and of mixtures to kill off weeds and bugs, has become a vital part of world agriculture. Here's the story of what's being done, and what Canadian chemists face in the "gunpowder of fertilizer" economy of defense preparedness.

Gunpowder or fertilizer?

That's what Ottawa and Washington will have to decide in allocating certain "Dr. Jekyll and Mr. Hyde" chemicals, if it comes to an all-out shooting war.

Nitrogen and sulphuric acid, for instance, not only march to war in the destructive role of high power explosives — they also help replenish the fields of thousands of Canadian farmers with crop promoting vitality.

As it stands now, they couldn't play both roles at once — there isn't enough. Which should have top billing?

Population and food requirements are shooting upward. But supplies of accessible new land to bring under cultivation are dropping. This means a heavier job of crop production for fields already in the business, which leads right back to more dependence on man-made plant food.

Here's how dependent Canadian farmers have become on the chemical soil boosters: To carry all the chemical fertilizers spread over Canadian fields last year it would take a train of 200 miles of box-cars each filled with the normal 30-ton load. Ten years ago, a train half as long would have done the job.

At last season's prices, these fertilizers would have resulted in $4 extra crop revenue for the farmers for every $1 spent, industry officials say. "Keep the fertilizers rolling" has become an annually growing refrain from all across Canada.

But this is just on the growing side of the agricultural picture. Expanding demands on multi-purpose chemicals have become even more phenomenal on the killing side, for use in pesticides to help keep down the preventable loss toll from bugs and weeds estimated to run around $350 millions annually.

2,000 Pesticides Registered

Industry officials say they would be dubbed "visionaries" if they were to predict what they think future market potentialities could be in this field. As it is, the industry has mushroomed from virtual non-existence 15 years ago to an annual dollar volume turnover at factory level of around $16 millions. For instance less than 500 pesticides were being used in the early '30's. Now over 2,000 have been registered with the Federal Government under the Pest Control Products Act — an act designed to protect customers and ensure high quality products.

War or stepped-up military defense programs would hit heavily at this industry. Already the current defense program has started to take its toll in chemical raw materials and if things get much worse pests are in for a field day next year.

The lethal D.D.T. for instance, the wonder insecticide of 1945 and still in widest use, is practically unobtainable except at grey-market prices. The heavy volume weed-killer, 2,4-D, which was spread over 13 million acres of cereal and flax crops in the Canadian west last year is now on allocation. Aldrin, 1950's spectacular answer to the grasshopper scourge, is also in tight supply. (Will there be enough to treat the 9.5 million acres in south-eastern Alberta where tests have indicated varying degrees of infestation this summer?) All these products use chlorine somewhere in their formulations, and this is one of the industrial chemicals in greatest short supply today.

A lot of the ground gained against pests during the last few years could be lost in one season if anything should happen to cut down sharply on pesticide supplies. Worse still, a good deal of the steam could go out of current active research programs into formulation of still more effective pest controls. Several companies are known to have important new products ready for the market, but marketing timetables could now be disrupted and promising new developments shelved indefinitely if shortages get worse.

Unless this turns out to be a summer of particularly heavy pest infection — authorities say the peak of the grasshopper scourge is over — farmers, market gardeners and orchardists should be able to put up a stiff fight against the intruders that crop up every season. The domestic chemical industry working close to capacity, plus earlier contracted U. S. imports, have assured adequate supplies for an average season's requirements.

Fertilizer Supply

The same holds true in the fertilizer field, where big new developments are taking place that will advance Canada further along the road to raw material self-sufficiency. Biggest fertilizer manufacturer in the country and one of the largest in the world —Consolidated Mining & Smelting Co. — has announced plans to construct a $9 million fertilizer plant at Kimberley, B.C. to manufacture ammonium phosphate at the rate of 70,000 tons a year.

Cominco already produces over half the fertilizer chemicals in this country. The new plant is being located near Kimberley to be close to the thousands of tons of waste rock tailings from the company's Sullivan base metal mine. These tailings contain iron sulphide pyrites, an important source of sulphur (or sulphuric acid), essential in most fertilizer processing. Part of the new project will be a modern sulphuric acid plant with an annual capacity of 110,000 tons a year.

Market requirements have reached the point where Cominco is no longer able to meet combined export and prairie demands. The decision to go to Kimberley rather than expand further at the present Trail sulphuric acid fertilizer plant, means that all the fertilizer production possible is already being attained from this source. The Trail plant uses waste metallurgical gases.

Cominco will be unique in Canadian fertilizer history not only because of its Trail operations, but because it will supply all its own raw materials: ammonia — from its Calgary nitrogen plant, phosphate rock from its own mines in Montana. It will even make its own sulphuric acid necessary in treating the phosphate rock at the new Kimberley plant.

Expansion at Sarnia

What could be another important milestone in the domestic fertilizer industry is Dow Chemical of Canada's decision to construct an anhydrous ammonia plant at its fast expanding Sarnia works.

So far many fertilizer mixers in this country have been partly depending on imports of nitrogen from the U. S. for their own chemical formulations.

There are three important producers in this country in the chemical field. Also all the steel making companies turn out ammonia in the solid form. But many mixers have had to supplement requirements from the U.S. either in liquid nitrogen or anhydrous ammonia forms. Dow's new ammonia plant, costing over $1 million, is expected to go into production around the first of 1952.

Just who are the big names in the fertilizer industry?

The industry is made up of some eight producers of basic fertilizer chemicals — including the three chief steel producers and two large coke gas companies — and some 32 mixing plants. The latter buy all their chemicals from domestic, U. S. and European sources. They mix them into their own formulations in specially designed mixing plants.

North American Cyanamid, which makes ammonium nitrate at its Welland, Ont. plant; Canadian Industries Ltd., which makes superphosphate at its McMasterville, Que. and Hamilton, Ont. plants; and Cominco which makes ammonium nitrate, ammonium phosphate and ammonium sulphate at its Trail and Calgary plants comprise the big chemical producers. The steel and coke-oven companies produce ammonium sulphate as a by-product of their steel and gas-making operations.

The production of basic nitrogen fertilizers by the two giants — Cominco and North American Cyanamid — makes up Canada's main chemical exports. Exports last year — mostly to the U. S. —totalled $38.9 millions and of this nitrogen fertilizers accounted for a little over $30 millions, mostly in U. S. dollars.

How it Helps Farmer

Just what is this growing industry's role in the rapidly developing economic story of Canada? Why is agriculture leaning more heavily on it as the years go by?

The farmer knows that by crop rotation on his land he can help nature rebuild some of the lost elements into his soil. He also knows that this can reduce crop acreage to a point where income can drop dangerously close to expenses. In the end his fields might still be deficient in essential plant food.

That's where the chemist comes in with his man-made plant food — the chemical fertilizers. He varies the chemicals to suit the soil, or to suit the combination of soil and crop. He has proved that by careful use of these chemicals, much worn-out land can be made fertile again — and some crops can be brought to harvest a little earlier to get better market prices.

Actually most of the increased demand in recent years has come from farmers who have been using fertilizer right along and who have increased their purchases. They have come to see the close relationship between fertilizer application and crop yields and in their cost schedules fertilizer expenses have become almost as fixed a cost item as seed.

Using the Elements

All the chemists have done to help the farmer is to find a way of harnessing the elements which go to make up the earth and atmosphere around it and put them to work raising crops. Big gun among the elements is nitrogen, which makes up around 78% of the air we breathe. It's one of the most important plant foods, but unfortunately most plants are not equipped to take it out of the air and it's rapidly depleted from the soil.

That's why fertilizer companies like Cominco and North American Cyanamid stress manufacture of nitrogen compounds — ammonia, ammonium nitrate, ammonium phosphate, ammonium sulphate, etc. Until recently most of the fertilizer nitrogen in Canada came as a byproduct from gas works and the coke ovens of the major steel companies. But the new recovery from atmosphere, by nitrogen fixation, is the latest and most effective answer to the world's growing requirements for soluble nitrogen.

The two other most important chemicals for plant food are phosphorus, processed as super and ammonium phosphates from imported rock, and potassium, imported as potassium chloride or sulphate. Where do these come from and what is the supply outlook at the moment?

Potash supply is fair at the moment and outlook remains fairly bright as shipments come from Europe. Currently we are getting about two thirds of our requirements from the U. S. and one-third from Europe. Canadian importers are being allocated from the U. S. on the same basis as U. S. users. Recent availability from Europe is all that's saving us from a critical shortage. Annual import bill runs around $4 million. Deposits are known to exist near Unity in Saskatchewan where they have been discovered in the course of drilling for oil. These are the only known deposits in Canada. A permit covering 100,000 acres in the Unity district has been granted to a private company for exploratory drilling. The permit provides for expenditure of $235,000 during the next three years and possible erection of a production plant costing a minimum of $1 million.

Phosphorus is derived from superphosphate by action of sulphuric acid on phosphate rock. If any shortage should develop soon it would most likely be in this material. Some superphosphates are currently being imported from the U. S.

Nitrogen supply is "nip and tuck" and could change overnight in event of sudden speed-up in military program. Fertilizer mixers are currently importing a sizeable proportion of their nitrogen requirements from the U. S. in liquid form in tank cars. It's anticipated that steel-making expansion programs under way will result in larger production of ammonium sulphate by Steel Co. of Canada, Algoma Steel and Dominion Steel & Coal.

More than anything else the fertilizer supply picture for next year's crop depends on the trend in international affairs. All three of the basic chemical plant foods are tied tightly to military production picture. Potash and nitrogen both go into explosives and the sulphuric acid necessary in manufacture of phosphorus would be diverted increasingly into defense production needs.

Concentrated Plant Food

One of the most important trends in the fertilizer industry in recent years is toward increasing concentration of plant food in fertilizer mixes. This means less filler and less transportation cost per unit of plant food shipped.

Provincial advisory fertilizer boards with representatives from agricultural schools, associations, producers and Government, meet several times a year to decide on fertilizer formulations and recommendations for the next year. Since the industry might have to get along on reduced supplies of fertilizer chemicals next year the board will be faced with task of deciding on formulations requiring less of the short items.

A somewhat similar federal body operating under the Pest Control Products Act (administered by Plants Products Division of the Federal Dept. of Agriculture) dealt with applications for registration of new pesticides in Canada.

The two prime considerations in dealing with an application are: will the product work, and can it be used safely. Both these points are checked carefully by government experts before a decision is made. There are now about 2,000 pesticides registered (about 55% insecticides, 8% fungicides, 3% insecticide-fungicides, remainder made up of herbicides, rodenticides, etc.), and the number is growing rapidly larger each year.

The appearance of D.D.T. on a commercial scale in 1945 marked the beginning of a long line of new insecticides, the most outstanding of which are the chlorinated hydrocarbons, represented by DDT, chlordane, toxaphene, aldrin, etc., and the organic phosphates, represented by parathion and tepp.

A sore blow against the domestic pesticides business was the recently announced Torquay tariff changes. The 7½% protection against bulk of U. S. imports has now been removed entirely. The change will cause considerable disruption, some plant close-downs and will likely shift a sizeable portion of the domestic market to U. S. producers. For the farmer, it's not likely to mean much saving in his battle on weeds and bugs.

"Our production runs are not large enough yet to permit us to compete with U. S. producers on many items," a pesticide manufacturer told The Post. "We will be forced to go into the U. S. market now for made-up formulations."

Actual saving to the Canadian farmer is estimated to work out to around 2c an acre on 2,4-D, for instance. It is estimated that there are some 500 pesticide formulators in Canada. Many of these might cease operations altogether or go into the importing business once supplies are readily available from the U. S.

Since many of the pesticide items are currently in tight supply in the U. S. the tariff move is not expected to have any important effect right away. The change affects all pesticide items in anything over 3-lb. packages. But since the bulk of the business is done in the higher volume lines practically every dealer and manufacturer will be affected.

Here are some of the most important pesticides accepted for registration in Canada in the last several years.

D.D.T. (dichloro diethyl trichloroethane) is one of the most widely used insecticides. Effective on potato beetles and practically every garden pest. Can also be used in controlling codling moths and other tree fruit insects. If used as a barn spray directions to be followed carefully.

Chlordane (octachloro-methane tetrahydroindane) serves similar but less extensive purposes as D.D.T. Effective in control of grasshoppers, wire worms, cut worms and other field and garden insects. It is more toxic than D.D.T. and, therefore, precaution must be taken against contaminating the edible parts of vegetables. Is not recommended as a dairy barn spray, nor in houses except for spot treatment.

Toxaphene (octochloro-camphene) has the same use generally as D.D.T. and less toxic. Is acceptable as a sheep dip. Its use on other animals is limited.

Methoxychlor (methoxyphenol-trichloroethane) has the same uses as D.D.T. It is the least toxic of all the group. It can be used as a livestock spray.

B. H. C. (benzene hexachloride) is an effective insecticide when contamination from tainting is not a factor.

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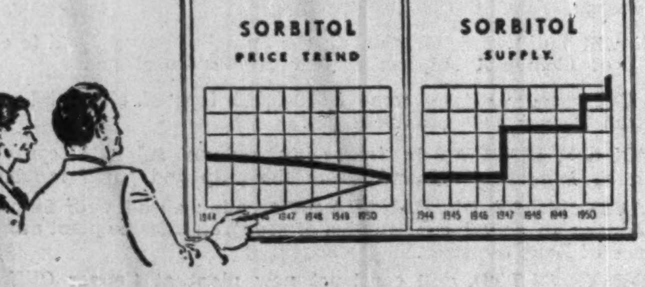
Aldrin (hexachloro-hexahydro dimethananaphthalene) is the latest of this group accepted for registration. Is accepted as probably the most effective insecticide in control of grasshoppers. This year it has been accepted for registration as effective in control of wire worm and plum curculio on apples. It is more toxic than D.D.T. It has replaced chlordane to a large extent on the Prairies in the control of grasshoppers.

(Continued on page 24)



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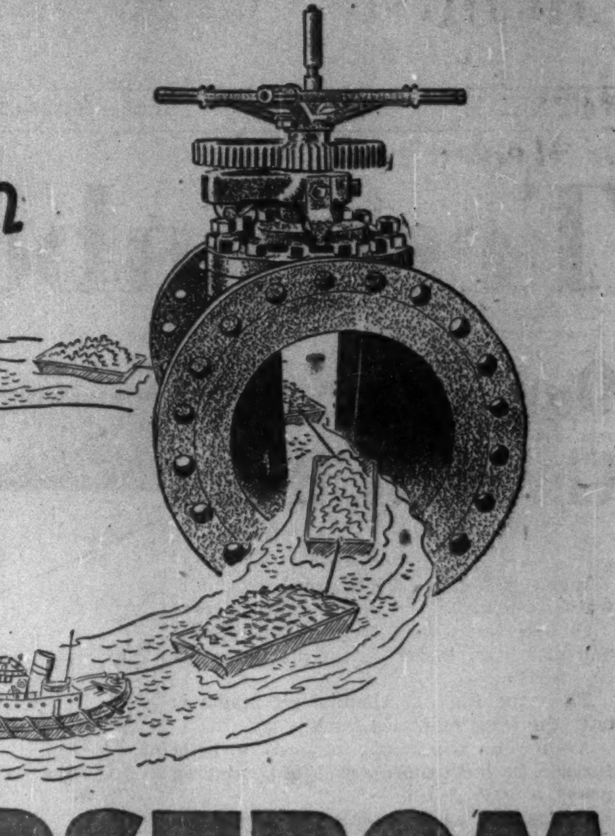

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Chemists Seek New Sources for Sulphur Supply

Mines and Natural Gas to Aid In Meeting Expanded Demand

To leap in a few months from a position of a humble servant of industry about whom little was said to one of the most publicized shortage items in the world, has been the meteoric role of sulphur.

More has been written about sulphur during the last six months than during the previous 10 years.

Today, when defense production chiefs meet, when industry leaders get together to draw up future production schedules, and chemists in many fields examine their problems, the talk invariably swings around to sulphur shortages.

Why?

Because sulphur is as essential to an industrial economy as steel —more so, because steel-making itself requires sulphur. When shortages develop, just about everybody and every industry is affected.

The newspaper we read, the automobile we drive, most of the clothes we wear, are all dependent on the "yellow stuff," in some stage of their manufacture. World food production could fall off drastically if sulphur became unobtainable, because this humble servant is also one of the most essential items in manufacture of chemical fertilizers.

Canada's $830 millions pulp and paper industry would come to a standstill without sulphur. As it is, it's going to have to take a 20% cut in essential U. S. imports this year. Unless additional supplies are made available, shortages will begin to affect newsprint production this summer.

But what happened to make the supply situation suddenly critical?

Supply and Demand

It's the old story of production not being able to keep up to zooming world demand. High sulphur requirement is synonymous with high industrial activity and the fast business tempo of the postwar years doubled sulphur requirements from the average of 1935-39.

When a way of recovering 99% pure sulphur from U. S. Gulf Coast sulphur domes was perfected, the rest of the world's sulphur became too expensive. These Gulf deposits have been supplying over 90% of the world demands for a number of years now, but they are starting to run out; no new ones have been found since 1938. At the rate they are now being used, present deposits will last only around 15 years.

A 10-country committee hastily called this spring to deal with the situation estimated a one-million ton shortage for 1951. Allocation plans were immediately called for and sulphur became the first strategic material recommended for international allocations since the second world war ended.

In the meantime, contract price of native sulphur climbed steadily upward from around $18 to current price, around $22 a ton. But an active grey market price has seen purchases made at as high as $175 a ton.

Canada, dependent on U. S. imports for more than half of her sulphur requirements, is going to have to take her 20% cut along with other U. S. customers in good grace.

But since no one in the sulphur business can see the situation getting anything but progressively worse, she is also going to have to do something about it. Last year, we consumed over a half million tons of sulphur in all forms, the pulp and paper industry accounting for some 315,000 tons. Most of the remainder was used in industry and agriculture in the form of H_2SO_4 (sulphuric acid).

Over 90% of all the sulphur used in Canada has to be converted first to sulphur dioxide form (SO_2) from here there are two broad divisions—sulphite liquors for the pulp and paper industry and H_2SO_4 for a broad range of industry.

Here is a list of the industries depending heavily on H_2SO_4 in their processing and quantities they consumed in 1949.

Consumption of Sulphuric Acid, By Industries (1949)

	(Short tons of 100% acid)
Fertilizers	488,405
Heavy chemicals	57,571
Explosives	19,943
Nonferrous metal smelting and refining	12,944
Textiles	14,969
Coke and gas	34,512
Petroleum refining	15,399
Leather tanning	1,997
Iron and steel	17,274
Electrical apparatus	4,624
Plastics	5,974
Soaps	4,792
Adhesives	599
Miscellaneous	5,017
Total	683,500

Obviously Canada must look to her own resources to get her over the sulphur hurdle. No one else is in the position to help. Since there are no known sizeable reserves of native sulphur in the country, the best bet looks to be in more extensive recovery of the thousands of potential tons of sulphur that go up the smokestacks of Canadian base metal smelters every year. It is estimated, for instance, that there are some one million tons of sulphur annually available from the waste gases discharged into the atmosphere in the Sudbury area. But to extract this sulphur economically is another matter. Great strides, however, have been made in this direction recently.

Of all the basic chemicals, sulphur is one of the most important. It's used in a wide range of industry, from agriculture (in fertilizers) to pulp and paper making, explosives, and steel. That's why industry has been watching closely the growing shortage of imported supplies — and here's what they've been doing about it, with the co-operation of research chemists.

Another big and largely undeveloped source of sulphur is the sulphide pyrites deposits of base metal mines. Until a few years ago, little of this was used. Nicholls Chemical Co. has been extracting some 100,000 tons annually of H_2SO_4 from pyrites and one pulp and paper company—St. Lawrence Paper Co.—also uses sulphur from this source.

The current stepped-up defense program has put new urgency into the whole project. The metal, chemical and oil industries have been quick to take up the sulphur challenge in this country. Projects under way, or planned, could make Canada largely self-sufficient in the matter of two to three years. Already some $11 millions in this program has reached the Chemicals Division of the Defense Production Department for priority rating for essential material. Ottawa in turn has looked favorably on the projects and assured co-operation.

Some of the credit for the new projects getting under way go to the Canadian Pulp & Paper Association. A committee, formed to look into the whole sulphur supply situation, has been instrumental in getting several of the projects under way. At the same time, the Association is doing considerable research on its own in recovery of waste sulphite liquor as well as exploring ways of stretching available sulphur supplies further in the pulp and paper making process.

The biggest projects are based on waste smelter fumes and recovery of sulphur from iron sulphides from base metal mines. Other projects are based on natural gas.

Every single project represents recovery of sulphur in one form or another from sources where it has been traditionally wasted.

Here are the chief projects under way or in an advanced stage of planning;

Shell Oil Co. and **Royalite Oil Co.** have announced plans to produce from Alberta natural gas some 18,000 tons of elemental sulphur annually for use by the west coast pulp and paper industry. The sulphur will be extracted from natural gas that has already been contracted for sale to other markets. Shell Oil expects to have its $500,000 sulphur plant in operation in the Jumping Pound field in Alberta in about a year. The sulphur extraction unit will be situated close to the company's gas distributing plant which will be delivering some 20 million cu. ft. of gas daily to Southern Alberta. The sulphur will be extracted from this gas before it is put into the pipeline for delivery to market. It is this integrated operation that will make the whole project economically feasible. Royalite is planning a processing plant to recover sulphur from its Turner Valley gas field at the initial rate of some 8,000 to 9,000 tons annually.

Canadian Industries Ltd. is constructing a new plant at Coppercliff, Ont. to produce some 90,000 tons of liquid sulphur dioxide annually (two tons of this product equals one ton of elemental sulphur). This will be the biggest project of its kind in the world. The raw material will be by-product gases from International Nickel smelter. These gases, however, will be much more concentrated than formerly, because of development of an oxygen flash smelting process by Inco. It is this new process plus the current high price for sulphur that is expected to make the project economically feasible. Certain pulp and paper companies are reported to have already negotiated for most of the supplies of the liquid sulphur dioxide when these become available next year. The plant is expected to cost between $1-$2 millions. At the same time, sulphuric acid output from Inco's waste gases, under way for many years, will be sharply stepped up.

Aluminum Co. of Canada plans early start on construction of a $1-$1.5 million plant at Arvida, Que. to produce 45,000 tons annually of H_2SO_4. Basic raw material will be zinc concentrates from Barvue Mines, Northwestern Quebec Barraute mining camp. Concentrates are 56% zinc and 31% sulphur. Roaster to be used will be largest of type ever built. Most of H_2SO_4 output will be used by the company for its own requirements in manufacturing other chemicals such as aluminum sulphate, aluminum chloride, etc.

Noranda Mines is planning construction of a plant in Eastern Canada (Hamilton has been named as one of the locations being considered) to initially treat some 300 tons of iron pyrites a day from the company's own mine in Northwestern Quebec. This would produce some 60 tons of elemental sulphur and 200 tons of iron sinter a day. At the same time, substantial quantities of SO_2 gas would be given off which could be made available to industry in the area. Noranda is estimated to have minimum reserves of over 100 million tons of 50% pyrite material in its mines. The new pyrite unit would cost in the neighborhood of $4 millions.

Consolidated Mining & Smelting Co. will construct a $9 million fertilizer plant at Kimberley, B.C. to produce around 70,000 tons of ammonium phosphate a year. Part of the new project will consist of a modern sulphuric acid plant with an annual capacity of around 110,000 tons a year. This plant will operate on pyrite tailings from company's Sullivan base metal mine. C.M. & S. is presently the biggest producer of H_2SO_4 in Canada, turning out around a half million tons a year. All the acid is used in the production of the company's fertilizer products.

NICHOLLS CHEMICAL CO. which currently produces some 100,000 tons of H_2SO_4 annually from roasting iron pyrites is planning a sharp step-up in capacity.

Britannia Mining & Smelting Co.'s stockpile of some 100,000 tons of pyrites on Howe Sound, B.C. may soon be going to B. C. pulp and paper companies to help meet the sulphur shortage. Company is currently producing some 200 tons of pyrites a day from base metal operations, and pyrite exports have been going to Japan and France. Columbia Cellulose has been first company to indicate it would use these pyrites.

Dominion Tar & Chemical Co. has announced that negotiations have been completed between the company and Fortune Oils Ltd. giving Dominion Tar a controlling interest in Sunbeam Sulphur Ltd., Calgary. The two companies will commence an exploratory drilling program for sulphur immediately. The showings have already been located in an area about 100 miles north of Edmonton. It is too early to evaluate the extent of these deposits yet.

The world price of sulphur is expected to crawl steadily upward (unless extensive new natural deposits are discovered). In the last six months for instance, contract price of elemental sulphur has jumped from around $18 a ton to the present $22 price. Reflecting the tight sulphur situation which is world-wide, demand for Canadian pyrites (around 50% sulphur) has turned keen the last few months with some European firms paying as high as $7.50 a ton for shipments. Last year average price in a very restricted market was around $2 to $3 a ton.

A sulphuric acid plant based on pyrite costs around 2½ times as much to build and nearly five times as much to operate as one burning elemental sulphur, sulphur officials estimate. Freight charges on low sulphur content pyrite raises another cost spectre. With pyrites running around 50% sulphur one has to ship two tons of pyrites to deliver one ton of sulphur. The higher price of iron ore, however, will make co-production of sulphur from pyrite correspondingly cheaper. The shortage picture will offer an attractive new and/or expanding market for by-product acid to Canada's base metal producers, increasing revenue, minimizing annoyance of waste disposal problems.

We will never run short of sulphur, but gradual depletion of the Gulf Coast deposits will work a transformation in sulphur status, will bring about a new assessment of sulphur economics, and turn even more attention to the role of the chemist.

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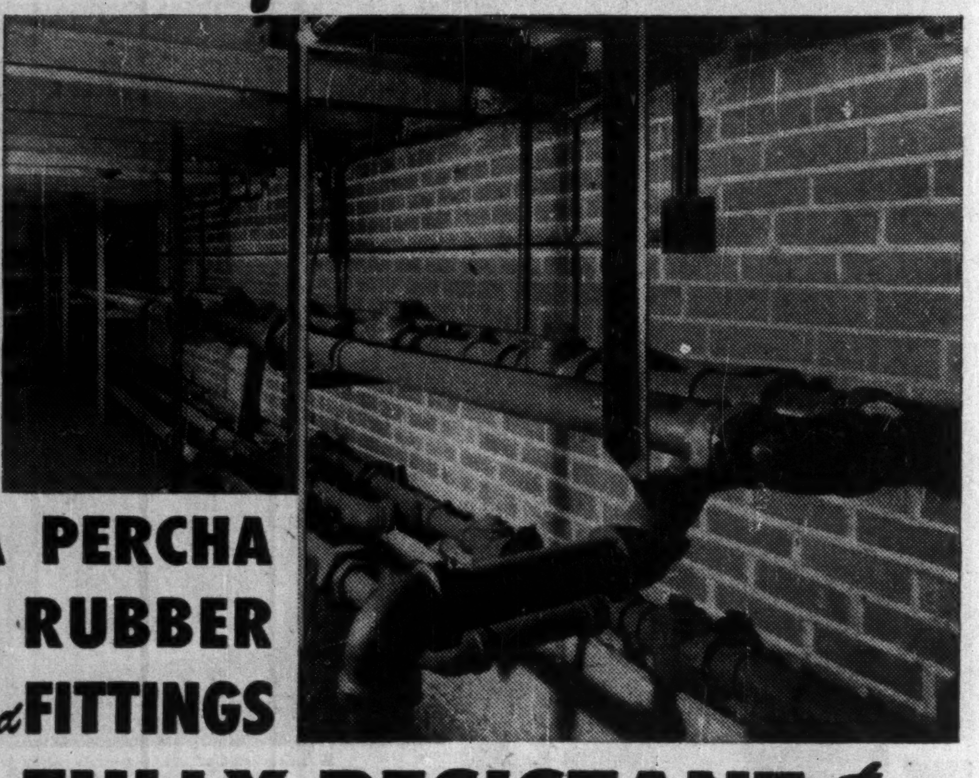

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Chemistry's Role in Nation's Health

Lab Experts Speed Search For New, Better 'Wonder Drugs'

Ask any Canadian drug manufacturer what's the most challenging thing about his fast-growing $100-million-a-year industry today.

Ask the doctor what's still the most promising development in the treatment of disease.

They'll say — antibiotics and the hormones, the so-called "wonder drugs."

Today drug researchers are working hard in scores of Canadian and U. S. labs to make established antibiotics and hormones more effective and cheaper to produce.

Penicillin, streptomycin, ACTH, cortisone, aureomycin, chloramphenicol, terramycin — they're magic names.

The tremendous rise in the proportion of prescription sales to general drugstore sales in Canada is an indication of the importance of the antibiotic-hormone "revolution." Antibiotics fight disease by attacking germs; hormones restore glandular balance.

Since 1945, prescription sales have increased more than 125% (reflecting heavy sales of antibiotics, vitamins, hormones, and the sulfa drugs), while total drug sales have risen only 30%.

And now drug chemists and medical researchers are bringing out new antibiotics and synthetic hormones. Some may replace the discoveries of the past few years.

Here are some new ventures:

Synthesis of "compound F," a drug closely allied to cortisone, by a team of Merck & Co. researchers, indicates the possibility that the new drug may be better — for treating arthritis and rheumatic disorders — and cheaper.

At Connaught Lab

Pivotal centre for much of the new work on pharmaceuticals in Canada is the Connaught Medical Research Laboratory in Toronto.

Connaught, in co-operation with industrial chemists, is studying a new hormone, "somatrophin" (STH) frequently known as the "growth" hormone. Dr Hans Selye of the University of Montreal did much preliminary work on STH. Now Connaught has been granted financial assistance by the National Research Council to find out how STH can be produced in quantity.

STH is a repair drug. Used along with ACTH and cortisone, it has shown signs of usefulness in preventing or reversing adverse hormone-balance reactions like lowered resistance, multiple spontaneous infection.

In ACTH, too, Connaught has perfected methods for quantity production. The project has had the full co-operation of the packing companies, and the maximum quantity of pork pituitary glands, the ACTH raw material, has been made available.

"It is hoped," said a spokesman for the ACTH research section of the lab, "that later this year further increased supplies will enable greater general distribution."

Substitute for Blood

Connaught is currently working on a new substance called "dextran" which has been indicated as a substitute for blood plasma. It's a derivative of sugar.

The big drawback about STH, and all the synthetic hormones for that matter, is high cost. STH will be difficult to adapt to an "assembly line" production system.

Another Canadian discovery is "Danilone," which when given orally increases the clotting time of blood. Charles E. Frosst & Co. recently developed this "safety" drug under their own steam. This synthetic chemical has been known for years — but it took Frosst researchers to prove its initial performance as a "repair" drug.

The bogey for most pharmaceutical houses working on hormone research is cost. So the pharmaceutical industry turned many of its research workers to the study of ways to cut production costs.

Reducing Costs

Some antibiotics respond to mass production methods. But that's not true of synthetic hormones whose raw materials will always be hard to get.

An important part of the answer to the high cost problem is development of new synthesis methods, the application of "assembly line" processes to speed up production.

There's been vast improvement.

The initial price for penicillin, for example, was $20 for 10,000 units. Today the wholesale price is about five cents. Streptomycin has dropped from $15 a gram to 50c. Other antibiotic drugs have followed the same price pattern.

Continuous research is aimed at reducing the cost of penicillin further, and improving it. A new penicillin salt, ethyl tyrosine penicillin, may permit production of certain penicillin products at a much lower cost.

But cortisone and ACTH are still expensive and the synthetic processes involved are more complicated than in any other chemical operation.

Getting the Materials

Merck & Co. recently laid out a new multimillion-dollar plant in the U. S. which, it is hoped, will lead to more cortisone at a lower cost, reach more sufferers from rheumatoid arthritis, rheumatic fever, asthma and other ills.

But the plant needs 1,400 different items of equipment, and it's estimated that a single month's raw-material supply will fill a train of freight cars a mile long. Raw materials including cattle bile, (bile from 30-40 cattle just makes an average dose), wool fat and even Mexican yams.

The pituitary glands of slaughtered hogs continue to make up the chief raw material for ACTH. It takes 1,700 hogs' heads to make about 500 mg. of the hormone, and that's only enough to treat one or two patients for a week. It takes nearly a million animal heads to make enough for a week's treatment of 600 sufferers.

ACTH and cortisone are linked in their physical action in the human body. An injection of ACTH generates production of cortisone in the body, or alternatively, cortisone itself can be injected.

The problem of hormone synthesis is gradually being broken down as new and more plentiful raw material sources are found. It's been the most difficult task faced by pharmaceutical researchers because the alternative synthetic hormone sources seem highly adept at evading discovery.

Once the structure of the natural body hormone has been analyzed — and this has been a tremendous project — the chemist looks around for a more readily obtainable nonhuman gland supply. First he studies animals as in the case of ACTH and cortisone.

Then he moves on to plants.

His goal, of course, is to find a really plentiful chemical material whose molecular structure can be changed easily and cheaply into that of the original animal hormone itself. Then, ACTH and cortisone might be almost as cheap as table salt.

Cortisone was synthesized first in Canada by Merck & Co., the Montreal pharmaceutical firm. Since then most drug manufacturers have been trying to lick the chemical synthesis problem.

The first Canadian sample of ACTH was produced after intensive research by the Connaught Medical Laboratories. It has been distributing research samples of new variations in manufacturing methods to clinical research bodies and university laboratories all over Canada.

Research Work

The proportion of research activity to manufacturing activity in the pharmaceutical industry is probably larger than in any other chemical industry.

"It's certainly very much larger than in the average industry," J. B. Frosst, vice-president of Charles E. Frosst & Co., Montreal, told The Financial Post.

"This research activity is divided into several different efforts comprising pure and applied research, both within our own laboratories and in association with university and hospital scientists.

"Occasionally entirely new substances are discovered, but a great deal of applied research leads to improved and cheaper ways of producing known drugs, or better pharmaceutical combinations of them."

Intense biochemical research by the Armour Laboratories of Chicago and a network of independent researchers in Canada and the United States has led to higher production of ACTH packaged in clinical dosages. Gradually, ACTH supply is improving. And the tireless research workers are chiefly responsible.

The supply of that other "wonder drug," penicillin, has been vastly improved through perfection of the "deep culture" process. Incubation of mold cultures is done in huge tanks similar to a brewery's fermentation vats. The liquid is kept agitated and aerated.

Last year the three producing laboratories in Canada turned out more than $5 millions in penicillin, about 10% of which was exported.

The deep fermentation process has also been adapted to streptomycin with similar good results in stepping up output. Successful volume synthesis has now been achieved with most of the vitamins. Annual output value in 1950 was over $9 millions.

Look to Future Supplies

Today among the larger firms, the only one of 100% Canadian ownership is the Charles E. Frosst Co. of Montreal. Two other major producers of chemicals in Canada—Merck & Co. and Mallinckrodt Chemical Works Ltd.—are U. S. subsidiaries.

Frosst reports that there's no general shortage of pharmaceutical materials in Canada now. As a result of research activity, many bulk materials for drugs are now manufactured entirely in Canada. The bulk of non-Canadian supply comes from the United States.

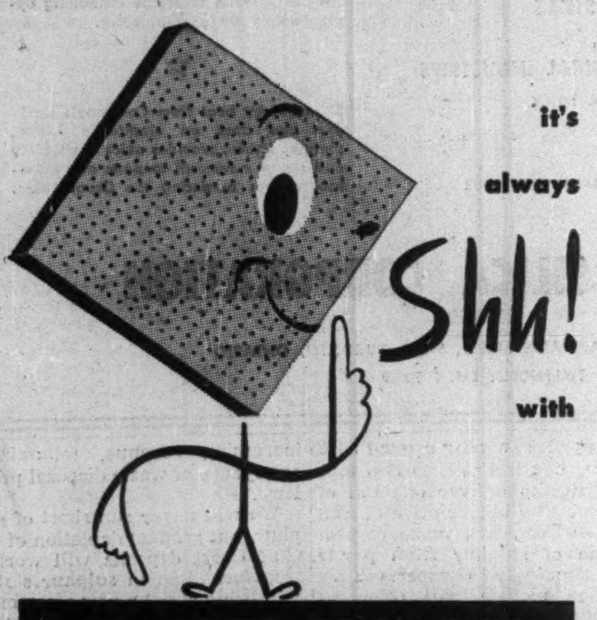
To head off possible cut-backs by U. S. suppliers, Frosst and other Canadian companies, particularly Ayerst, McKinnon & Harrison, are co-operating with the Canadian Industrial Preparedness Association in a survey of future supply problems and ways to solve them.

Says Frosst's vice-president: "Canadian pharmaceutical manufacturing facilities are in a strong position to meet emergency situations arising out of possible war production.

"This company is now negotiating with the Government to assist in the production and stock-piling of new emergency products of which there is no supply or production in Canada — in fact, no large-scale production anywhere in the world."

One of the main projects in this "stock-piling" activity will be the assembly of stocks of antibiotics and synthetic hormones of different kinds to take advantage of recent advances in the therapeutic use of combinations of these drugs to check the adverse effects of individual use.

Another will be to look ahead and try to foresee what raw materials might be in demand should researchers hit upon new and even more startling drug discoveries, and stock-pile them.



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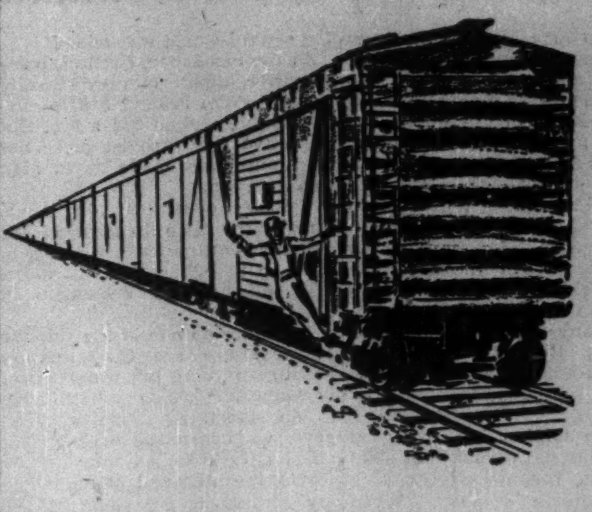

Plastic baby bibs are the greatest innovation of recent years (just ask a young mother). Railwaymen are hailing the new, longer-lasting paints which mean less repainting of equipment. Both require *Phthalic Anhydride.*

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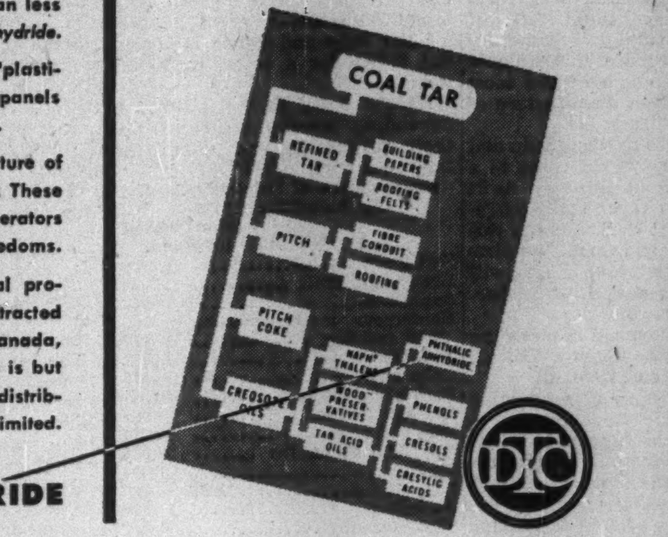

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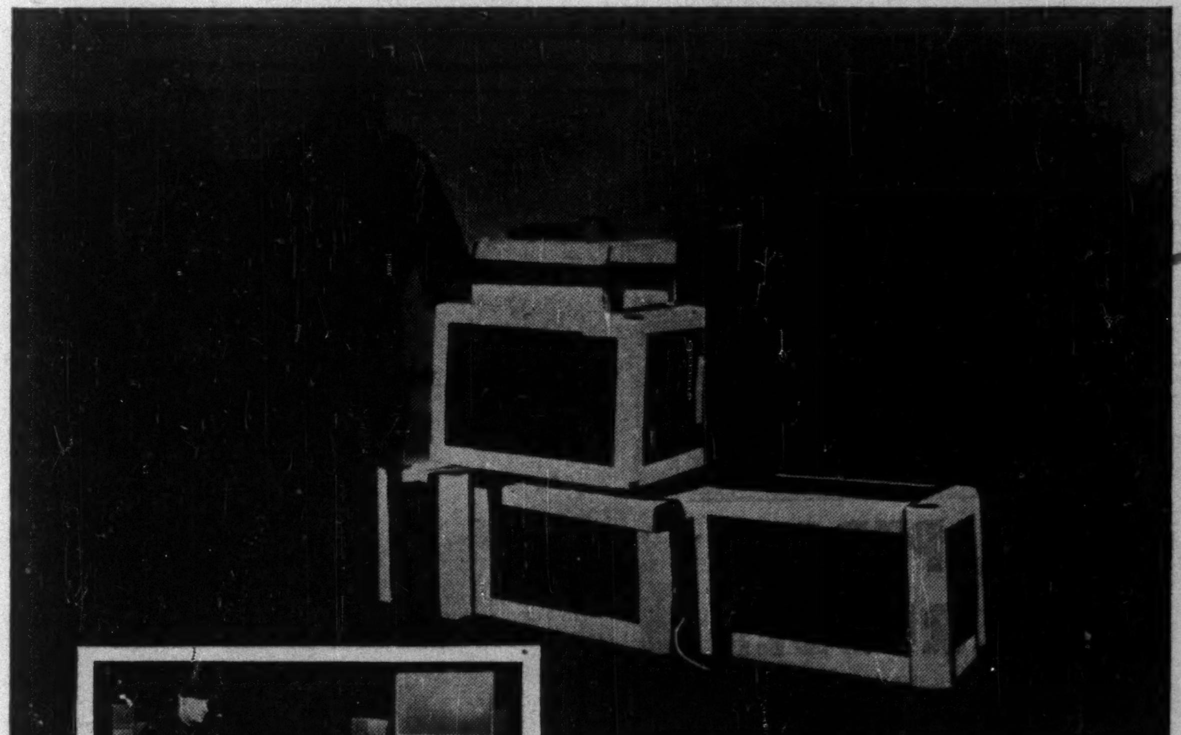

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Because water would damage the luminescence, Geon guards it against dampness and also protects it against scuffing, grease and oil.

This luminescent tape is at present not available for civilian use.

It's another example of Geon materials' versatility. For Geon is adaptable to scores of uses where resistance to heat and cold, weather, aging and wear are important—often vital. And Geon materials have *more* advantages. They're highly resistant to oil and grease, chemicals and other damaging elements.

Geon materials come in many forms —including resin, latex and compounded plastics. They may be just what you need to improve or develop a product, or to convert to defense production. Right now demand exceeds supply, but experimental quantities are available for development work. For information and helpful technical advice, please write B. F. Goodrich Chemical Company, Kitchener, Ontario.

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Paint Industry Points to Record Year

Chemists Concentrate on Substitutes for Scarce Materials

Canada's paint, varnish and lacquer makers are going all-out this year to develop new products, perfect cost-cutting ideas and prepare for defense shortages in raw materials. And the chemists are playing a big role in that development program, in an industry based on chemicals.

They have a big share in Canada's chemical boom—hope to do a record $100 millions in business in 1951—about $10 millions more than last year. That means keeping pace dollar-for-dollar with the U. S. surface coating industry on a 12-1 population basis.

They'll serve the average Canadian better than ever this year. And if war should cut the industry off from far-flung raw material supplies, the industry has new ideas in synthetics to help lick that problem, too.

Output of Canada's surface coating industry has risen rapidly in recent years. In 1945 there were 90 plants in operation. Today there are 126. Production of standard coatings has increased more than 60% in 10 years, and today about 40% of the industry's output goes into coatings for manufactured articles. These materials are referred to in the trade as industrial finishes.

Yet raw material suppliers abroad can't increase their production fast enough to keep pace with the industry's growth. And, too, the danger of defense shortages has kept paint chemists on their toes developing substitutes.

Make Canada Self-Sufficient

But they feel that the supply position, one way or another, is fairly satisfactory.

The trend is to make Canada as self-sufficient in materials as possible. Work is being carried out by the industry and the National Research Council on the adaptation to the needs of the paint maker of native Canadian resources—like zinc pigment, titanium dioxide, wood resins and synthetics via Sarnia's Polymer Corp.

Here's what's new in paint.

The most striking twist is the forecast early development of an inexpensive "resin emulsion enamel," using water as a solvent instead of the turpentine or mineral spirit used in ordinary paint. This water solvent technique has been used successfully with so-called flat wall paints.

And paint chemists believe they will soon find the right catalyst to break down paint oil into an emulsion fine enough to develop a water-set enamel with a glossy finish. It will probably be cheaper than ordinary enamel. And, like its dull finish cousin, it will be practically odorless.

Of course it may take a little longer to perfect resin emulsion enamel to compete on equal quality ground with regular enamel. But it's an example of the constant research going on in the industry.

Another Chemical Miracle

The resin-emulsion discovery was a surprise to many chemists, and something of a minor miracle. By all the laws of chemistry, oil and water don't mix, at least not easily, and certainly not for long. But the paint chemists came up with a major advance in surface coatings.

As things stand, the resin emulsion process turns out first quality paint coatings at a cost 35% below that of the old turpentine—mineral spirits solvent technique.

In water-thinned paints and enamels, the chemist is making the kind of coating the average man understands. It shows no brush marks, usually needs only one coat and, in the case of "gloss" paint and enamel, it's washable.

Paint for any job — that's the motto of today's paint manufacturer. He's brought out tough, water-repellent paint for underwater surfaces and weather areas, rubber-based paints for pipes and ducts where chipping or peeling is usually a plague, even insect repellent paint containing mosquito "discourager" and DDT.

Latest development is a latex-emulsion paint that is odorless and scrubable, for interior decoration.

Getting the Colors

Esthetics aren't neglected either. Strict raw material control and lab analysis now permit the home decorator to choose from a wide range of color shades and surface textures, over 4,000 in fact. New pigment tests are also bringing out new colors.

A superior range of maroons has been developed from special iron oxide pigments. Blues, which present the greatest trouble to the paint maker, are being tamed. One of the best, derived from the complex phthalocyanine pigment, used to have a tendency to crystalize. That's been checked by treating the pigment with chlorine and benzene.

There's been vast improvement in the development of special kinds of pigment for different purposes. Leader in the specialty field is titanium dioxide, the best white pigment found to date. Making it requires a difficult chemical process, and it's still on the expensive side.

But it's the "whitest of whites" in paint. Chemically inert, it lasts longer on inside and outside surfaces. And one coat will often do the job.

Unfortunately, titanium's been in short supply. The older-type pigments, white lead and lithophone, are still leaders in volume among paint makers, and they do a good job. But the recent discovery of the world's largest known titanium ore body in Quebec is liable to tilt the supply and cost advantage to titanium dioxide, and Canada, soon.

When production of titanium from this rich Quebec lode gets into high gear, Canadian paint manufacturers will be virtually free of dependence on foreign suppliers. This competition for supplies with U. S. makers has caused the bottleneck so far, together with the fact that there's no titanium dioxide production in Canada to date.

Oil Supply

There have been developments in paint oils, too.

Linseed oil is still the staple in the paint industry, but last year's flax crop in Canada was disappointing. Paint makers were forced to import some of their requirements from the U. S. and Argentina.

The current campaign of the Canadian Paint, Varnish and Lacquer Association to encourage more extensive planting of flax in the Prairie Provinces is expected to improve the 1951 crop. This year the industry is assured of at least a million acres under flax, and it's hoped that all linseed oil needs will be filled.

Heretofore, linseed oil has been cheapest, most easily available in quantity. Now chemists find that castor oil, originally a wartime substitute, can be treated to work just as well as tung oil, the scarce, expensive king of all the drying oils, most supplies of which come from the East.

Development of these alternative drying oils means that Canadian paint and varnish manufacturers are no longer so dependent on production of linseed oil, but linseed is still the chief material used.

Castor oil is used largely in varnishes and lacquers where fast drying is a must, and it's doing good service. Soybean oil is another good substitute, and it doesn't turn yellow with age. For special finishes, rapeseed oil can be refined to high usefulness.

Use Native Resins?

If a current idea pays off, Canada may be more independent of foreign sources of resins and ester gums.

Up to the present the bulk of turpentine and natural resins needed for paint making has had to be imported from the United States and abroad. Now paint men believe there's a vast untapped source of supply right on their doorstep here in Canada.

It's estimated that there are millions of pine stumps lying waste in Ontario, Quebec and the Maritimes. These stumps are valuable sources of turpentine and rosin gums, used in particularly heavy quantities for varnishes.

The Federal Department of Agriculture is investigating the pine stump situation to see if turpentine and rosin could be extracted economically in commercial quantities. It looks promising now, for the price of imported turpentine is high.

Synthetic resins have built a huge industry. Based on the organic "alkyd" group in chemistry, they're just as good as natural wood gums. Alkyd resins go into enamel coatings for a vast variety of manufactured products—stoves, washing machines, some makes of motor car, refrigerators, etc. Baking time of 5-15 minutes at 300-320 degrees F. permits large-scale assembly-line production.

The discovery of new sources of oils and resins has made Canadian paint and varnish makers more stable supply-wise. The fear of being cut off from essential raw materials is reduced.

This is especially true of recent advances in the use of synthetic rubber latex emulsions in paint making.

Popular chemical materials for synthetic resins include urea, melamine, vinyls, phthalic anhydride. Most are hard to get at present, but glycerin is fairly plentiful.

Fire-Retardant Paints

The fire hazard presented by some highly volatile paints and varnishes has pressed the search for better kinds of fire-retardant coatings. Chemists doubt whether a 100% efficient fireproof paint can be found, but they're confident that they can come pretty close.

Small fires can be kept localized or even caused to die out altogether by some new coatings. Phosphate-resin paint was found to be an excellent retardant coating in recent tests carried out by the Hydro-Electric Power Commission of Ontario.

Other good paints for surfaces exposed to fire danger are those with a sulfamate or silicone base. Chlorinated rubber and water-emulsion paints were found to be poor protectors, as were those with various antimony oxide bases.

Besides fire protection, chemists want fire-resistant paints to have as many other attributes of a good surface coating as possible. These include appearance, washability, versatility and endurance.

For a retardant coating to receive a "pass" rating under tests, it must not allow a flame to spread over 50% more than its fire-exposed area. And to be acceptable as a protective coating it must withstand fairly severe heat and flame temperature without permitting the wood underneath to char.

Coats For Cars

Lacquer chemists are developing cheaper, higher performance hot coatings for motor cars. Today about half the cars coming off the production lines in North America are finished with nitrocellulose lacquer.

In 1950 General Motors alone used 13 million gallons of finish and five million gallons of "thinner" material, an investment of nearly $50 millions.

Another new field for paints and varnishes is as insulators. Tests carried out in New York last month proved that certain kinds of paints, varnishes and lacquers, when used with carefully selected conductor metals, provide a cheap, effective insulator coating.

Where corrosive fumes are present, researchers have found that special aluminum paints can check the wear of surfaces from this cause. They're also useful in painting the inside of a ship's cargo holds for better visibility and water resistance.

Although there are no immediate shortages of vital raw materials, there are no surpluses, according to the Canadian Paint, Varnish and Lacquer Association. Yet Canadian manufacturers have extensive plant capacity and could produce more paint products if certain synthetic materials and improved pigments were available.

Alkyd resins are suffering from a shortage of two constituent chemicals — phthalic anhydride and pentaerythritol. However, scheduled all-Canadian production of these materials may ease the supply situation by 1952, the association says.

Today the paint industry is third largest Canadian producer of alkyd resins, behind Canadian General Electric and Dow Chemicals.

Almost every month this important sector of Canada's billion-dollar chemical industry brings out a revolutionary new product within reach of every man's purse. There's a scratch-resistant floor coating for bowling alleys and gyms, a skidproof varnish for the living room floor, a special fireproof paint for ships like the ill-fated Noronic, a white lead self-cleaning exterior coating that stays white and clean-looking longer for householders in smoky cities.

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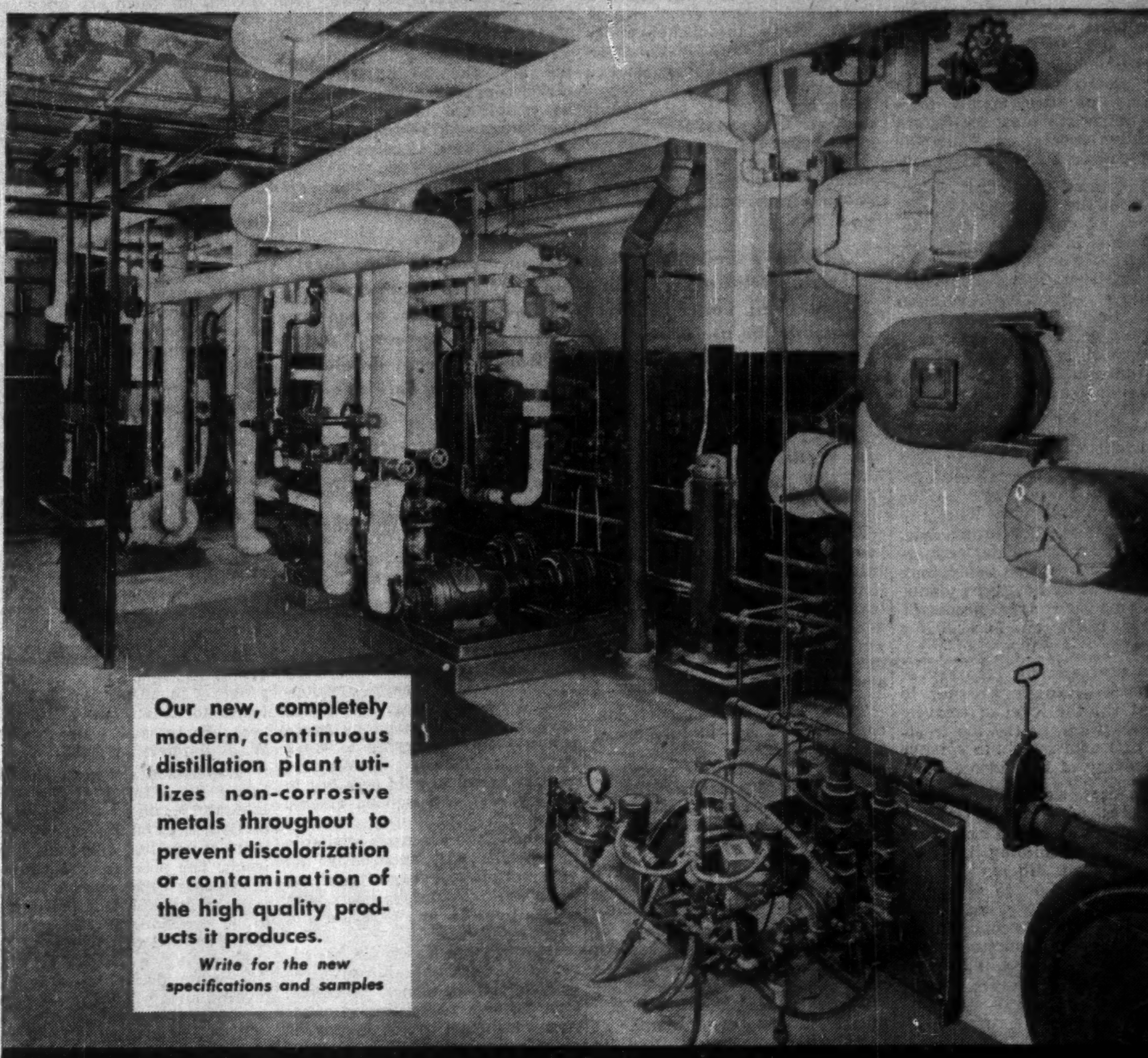

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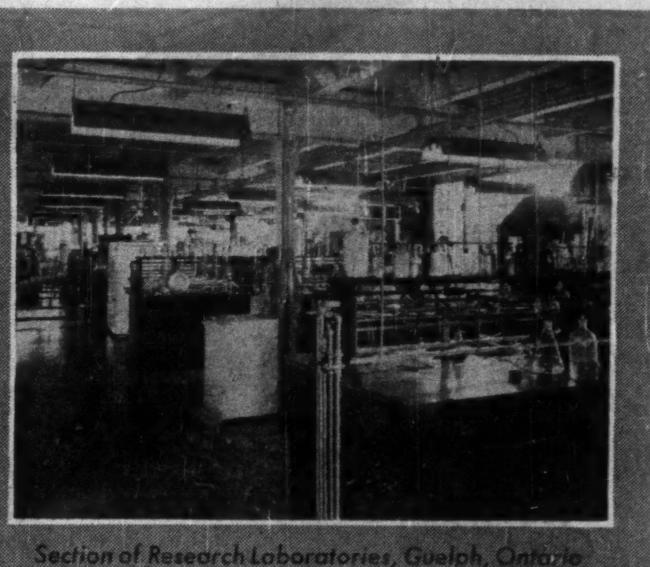

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Chemistry's "New Look" For Mining

Reduce Operating Costs, Aid in Use of Low-Grade

What's the role of chemistry in mining? How does the research worker in the laboratory help cut operating costs, bring better returns from low-grade ore, or make possible the use of ore which a few years ago would not have been mined? Here's the story of recent developments, including a $17 million project using natural gas.

A few years ago, the mining industry could look with justifiable satisfaction to some remarkable achievements in wresting mineral wealth from "reluctant ores" — the cyanide process which meant a new and better unlocking of riches of most gold ores; differential flotation which permitted recovery of base metals from many refractory ores; the Orford separation process on which the nickel-copper business was built.

But without detracting in any way from the importance of discoveries of yesteryear, new developments in metal extraction—based largely on new applications of chemistry to metal recovery—promise a remarkable revolution in this field. It all spells lower operating costs, ability to handle ores previously too low grade to be commercial, and may spell success in solving such conundrums as a process for low-cost recovery of cobalt from cobalt and nickel ores.

More clearly than a year ago, the revolution appears to be irresistibly on its way. Who is to say but that at some future date, smelters and base metal refineries, as we know them today, may be outmoded by new type plants, embodying new type processes, possibly based on leaching methods?

New processes for recovery of base metals can be brought to bear at (a) the level of treating of concentrates, or (b) the treatment of matte from the smelter for recovery of refined metals.

Some ores, such as the Lynn Lake ores of Sherritt Gordon, may prove themselves more amenable to handling by new processes than others. In any case, the transition to new processes would hardly warrant any wholesale immediate scrapping of existing plants, it appears, even if all needed process knowledge were available and other considerations permitted.

Because there is a keen competition in the race for new processes, the researchers are, in some cases, understandably reluctant to outline even what is being investigated, let alone methods developed and results obtained. But work is sufficiently far advanced, in numerous instances, for the pattern of new developments to be seen.

Sherritt Gordon, which underwrote a research program at the University of British Columbia under Professor Frank Forward back in 1946, has been the first Canadian company to announce a program to turn out refined nickel and copper from a base metal ore — the nickel-copper ore of Lynn Lake — without the use of the "conventional" smelter and refinery.

The new plant is to be built wherever necessary gas can be secured the cheapest in an Alberta gas area. It will cost $17 millions, including its related ammonia plant and will treat an estimated 81,000 tons of nickel concentrates (running high nickel, low copper) each year; 13,000 tons of copper concentrates produced at Lynn Lake will be treated for the first few years at some established other refinery. The integrated operation envisaged will result in the turning out each year of approximately 17 million lb. of nickel, nine million lb. of copper, 300,000 lb. of cobalt and 70,000 tons of ammonium sulphate fertilizer.

The benefit derived from low cost Alberta gas — and the use of Sherritt Gordon's processes — will far more than compensate for any disadvantages, such as extra freight, from location of the plant in an Alberta area far removed from the company's mines. Fertilizer will likely be shipped to the B.C. coast anyway. This will be a big freight item.

Sherritt has a background of years of research behind it in developing its processes to the point where the Alberta plant could be undertaken. After the initial success of research at U.B.C., the company shifted its research to space acquired at the Bureau of Mines in Ottawa during 1949. The Bureau of Mines co-operated through provision of space and in furthering the project. Late in 1950, pilot plant operations and other research were shifted to a building on Slater St. in Ottawa where Sherrit set up a permanent metallurgical research division. Charles Hames heads the research division, ably assisted by chief chemist, Vladmir Mackiw. Professor Forward is consultant metallurgist.

Sherritt Gordon has really two basic processes rather than one. The ammonia leach process which Professor Forward originated is the key one behind the new nickel-copper recovery plant to be established in Alberta. The company also has Canadian rights to the Chemical Construction Co. acid leach process which has important applications. There are a number of techniques related to both of these processes, some of which are owned by Sherritt, some by Chemical Construction Co.

The work of Sherritt, and its access to Chemical Construction Co. know-how, is opening up a new field in the recovery and refining of metals.

It is now possible to treat ordinarily refractory gold and cobalt ores without the usual arsenical problem. This may prove a revolutionary development for gold mining. Gold mines have faced a tremendous problem not only in trying to work out a satisfactory recovery of gold in arsenical gold ores but in storing highly poisonous arsenic as well.

Some of the processes available to Sherritt will apparently not only permit recovery of gold but the arsenic disappears along with the tailings in an insoluble and harmless form.

International Nickel Co. has already made remarkable progress in development of new processes. One process permitting production of nickel oxide sinter is already in operation. A second involving oxygen flash smelting of copper concentrates is about to be placed in operation.

But Inco has further processes on the drafting boards which are expected to be of very material advantage in its program of greater utilization of lower grade underground ores.

Referring last April to "important process changes" to become necessary in mill and smelter, President John F. Thompson stated: "Active work has been under way for some time on these process projects, several of which are under pilot plant development."

One major process project under pilot plant study is the development of a process for economic recovery of nickel from nickel-bearing pyrrhotite together with production of a high grade iron product.

The fine type of research being done by this company is well illustrated by Inco oxygen flash smelting of copper concentrates. Inco is combining a 300-ton-per-day oxygen generating unit and a new copper concentrate smelting furnace to provide a much more efficient and productive treatment of copper concentrates.

Inco in the past, like other operators, simply smelted copper concentrates by heating with a coal-air mixture. The change in process will effect a considerable coal saving. In addition the gaseous product of the reaction, being not diluted with nitrogen, can be processed for sale as liquid SO_2. Canadian Industries Ltd. will be involved in this phase of the operation.

This new project of Inco represents the greatest of its kind in the world.

Eldorado Mining & Refining (1944) has made very substantial progress in adaptation of a basic leach to treatment of uranium ores. Early this year President W. J. Bennett reported:

"Experimental work is now being done in our Port Hope laboratory and at the University of British Columbia on the treatment of uranium ores with a basic leach. The process is feasible but it remains to be seen whether it is economic. Should it be found to be economic it will offer another method of treatment."

Following experimental work it became desirable to test the process on a pilot plant scale. An arrangement was entered into with Sherritt Gordon because of the suitability of certain of Sherritt's equipment. Testing is now under way.

The Eldorado and Sherritt processes have apparently only one point in common; both are using what is known as the hydrogen reduction process which was developed by Professor Forward at U. of B. C. There is a mechanical similarity in that both involve leaching at high temperatures under pressure in autoclaves. The Eldorado process will use soda ash or a similar chemical against ammonia in Sherritt's ammonia leach process.

Canada has been one of the leaders in metallurgical research. Much excellent work has been done by the Bureau of Mines at Ottawa as outlined earlier in The Financial Post. Dominion Magnesium and other companies, such as Consolidated Smelters, and Hudson Bay have been carrying on extensive studies. Leadership in this field will undoubtedly prove of great assistance to this country in the years ahead, particularly when markets for metals become competitive again.

Fertilizers or Gunpowder?

(Continued from page 20)

It is used as little as 2½ to 3 oz. per acre, being one of the most concentrated insecticides used.

Dieldrin (hexachloro-epoxyocto hydro dimethanonaphalene) is a companion to aldrin. It is still in the experimental stage in Canada with no applications as yet for registration. It is said to be even more effective than aldrin. Its use in the U. S. so far has been principally for control of fly, mosquito and cotton insects.

Organic Phosphate Class

Parathion (diethyl nitro phenyl thiosphate) is recommended for tree fruits for control of mites, aphids, leaf rollers, eye-spotted budmoth and pear psylla and on pea and turnip crops for aphid control. It is one of the most dangerous of all pesticide materials and for this reason has been accepted for registration with limited application. Strong recommendations suggest careful handling. It is not approved for use in Canada in dust form.

Tepp (tetra ethyl pyrophosphate) is effective against some insects controlled by parathion, but may, with certain precautions be used in a wider range of crops — including some vegetables because of a shorter residual effect which may be only a few hours against a possible three to four weeks for parathion.

Metacide has been accepted for use against greenbud on grain crops. Approved use is extended this year to permit applications on pea and turnip crops for aphid controls. The same stringent precautions must be taken here as in case of parathion.

2,4-D (2,4-Dichlorophenoxy acetic acid) is used for control of susceptible weeds where found, whether in grain, pasture roadsides or in vegetable crops. It has no effect on grasses unless applied plentifully when grasses are young. It is much more toxic to annual growth than perennials. Is biggest volume pesticide used in Canada.

2,4,5-T (2,4,5-trichlorophenoxy acetic acid) is used in control of woody growth particularly along fences and roadways, including both soft and hard woods.

New Fungicides

Zineb (zinc ethylene bisdithiocarbonate), **Ferbam** (ferric dimethyl dithicocarbonate), **Nabam** (disodium ethylene bisdithiocarbonate), **Ziram** (zinc dinethyl dithiocarbonate), have been accepted for control of various diseases of fruit, potato and garden crops.

Thiram (tetra methyl thiuram di-sulphate) is a soil treatment for control of blackroot of sugar beets. Is accepted for registration combined with a fertilizer, the combination being 0.5% thiram in a 2-12-6 fertilizer.

GANANOQUE, Ont., has sold issue of $21,000 4¼% debentures due 1952-66, to Wood, Gundy & Co. Proceeds for sewer construction.

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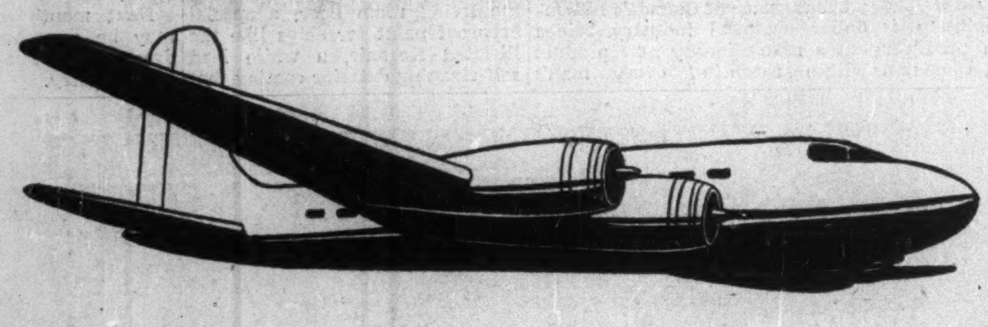

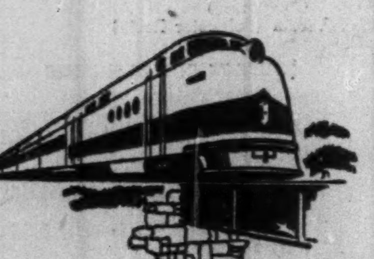

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What They're Doing in Chemical Research Across Canada

NRC and Provincial Groups Tackle Industrial Problems

The story of the advance of chemistry is the story of painstaking research, of hours of laboratory testing, first along one avenue, then another, and then another. Here's what's being done in federal and provincial research from coast to coast, to further the applications of chemistry to Canadian industry and homes.

All across Canada the tempo of research is speeding up. From the hole-in-the-wall testing room of the small factory to the well-equipped laboratories of government and university research bodies, the accent is on higher quality goods, new and more effective products. In most of these, chemistry is playing a big role.

Typically Canadian problems are being tackled in a score of labs across the country and the findings are starting to pay off in a big dollar way for many industrial firms.

Here are the highlights in the research work being done by the different provincial research bodies and the National Research Council:

National Research

Activities of Canada's largest research body are now covering almost every domestic industry, service and all aspects of national defense.

Most of the work in the division of pure chemistry is similar to the research studies carried on in the graduate schools at the universities, main object being new knowledge on chemical properties of various substances. For example the determination of the thermal properties at very low temperatures of the rare gas, argon; development of an instrument to measure pressure differences as small as two-tenths of a micron or 1/127000th part of an inch.

Other studies are yielding valuable data on physical properties of gases at very low temperatures; and infra-red studies of certain gases have revealed new data of fundamental value.

Considerable work has been done on corrosion and its prevention, especially in domestic hot water heaters and locomotive gauge glasses. Work on standardizing paint materials is proceeding and tests have been made on Canadian-produced zinc oxide as a substitute for imported leaded zinc oxide.

In the textile field, studies have been made on evaluation of synthetic detergents used in laundering; mothproofing work is being continued; it has been shown that improved shrink resistance and wear can be secured from the use of wool-nylon mixtures.

Lignin from pulp mills has been found to be a satisfactory substitute for carbon black in compounding not only synthetic rubber but also natural rubber.

Sugar beet molasses has been proven to be an excellent raw material for production of butanediol by fermentation and studies on a pilot-plant scale have now been completed. Waste sulphite liquor is also being investigated as a raw material for fermentation.

At the atomic project, notable technical achievements have been made in the fields of nuclear physics, radio-chemistry, radiobiology and isotope production. Perhaps the most notable achievement of the year has been the study of the radioactive decay of free neutrons made possible by the high intensity available in a beam from the pile.

New isotopes have been made. Notable among the previously unknown isotopes produced are phosphorus—33 and protactinium —235. Some 569 shipments of 57 different radio-isotopes were made during the year. There is a growing demand for these products of the atomic pile, especially for cobalt 60 of high specific activity, which is finding promising applications in both industry and medical therapy.

A large part of the laboratory research in chemistry and physics is in the field of pure science and much of it is done by post-doctorate fellows. These scientists have come from many countries to work with Council scientists whose reputations in their respective fields have won them world recognition. Not so many years ago, the movement was all the other way. Canadians had to go to foreign lands for graduate training.

Here's a survey of research work being done around the provinces.

British Columbia

The British Columbia Research Council is in several fundamental research projects. In the chemistry division, several of these projects are showing promise at the present time.

Gas From Wood Waste

Large amounts of wood waste are produced annually from the many B. C. lumber and pulp mills. Of recent years the lumber industry has paid increasing attention to the utilization of this waste material. One of the larger projects now under development by the Council is an investigation into the utilization of wood waste as a source of fuel gas.

A semi-pilot plant for wood gasification has been constructed and a good grade gas suitable for industrial use is now being produced at a reasonable cost. The gas produced by this process compares favorably in grade with commercial industrial fuel gas and favorably in cost with other heating methods such as coal and oil.

The Council has undertaken a water quality survey of Fraser River in co-operation with the Dominion - Provincial Board, Fraser River Basin, to determine the present quality, composition, and condition of the water so that it can be utilized to the best advantage for industrial and other purposes, and any deterioration in quality can be detected by periodic re-examination.

River water contains large quantities of living organisms which breathe and change and can be poisoned to a point where they will cease to breathe. The growth and decay of these micro-organisms and plants is constantly proceeding and this life imposes demands on the water which must be met if the composition is altered.

The results to date indicate that the water of the Fraser River is, apart from its sediment load, exceptionally pure and soft. After a suitable filtration process it should therefore be available for many industrial purposes. Industrial and other effluences produce perceptible results in some stretches of the river, but these have not yet reached serious proportions and there is still time to put into effect remedial and preventative measures to preserve this great natural asset.

De-odorizing industry — The production of pulp by the kraft sulphate process is rapidly expanding, and with this expansion the problem of the odor nuisance from the process is becoming increasingly serious. The smell from the kraft pulp is produced by a group of compounds known as mercaptans and organic sulphides. The amount of these materials necessary to produce a preceptible odor is roughly one part in a million. This makes it very difficult to devise control measures which will be effective and economical.

In attacking this problem on behalf of a group of British Columbia and Eastern Canada kraft pulp mills, the Council recognized the necessity of rapid, accurate, and simple methods of analysis for the most important of the substances involved. The successful solution of this initial problem opened the way to detailed surveys which served to establish in quantitative form the magnitude of the nuisance originating in different parts of the plant.

Armed with this background the problem of odor control was attacked and a process has been projected which it is hoped will substantially reduce the amount of such material released to the atmosphere.

Alberta

Natural gas as a raw material for production of industrial chemicals and liquid fuels has been investigated by the University of Alberta, Department of Chemical Engineering over the past 20 years. A new program of work begun this year under the direction of Dr. G. W. Govier, Professor of Chemical Engineering, is aimed to test the newest conversion techniques.

A group of Council staff prepared a report on "Natural gas and its relation to the industrial development of Alberta." The report deals with the constituents of natural gas, the significance of natural gas as a power source and as a chemical raw material, the outlook for disposing of the liquid fraction (propane and butane), and with the natural gas in relation to industrial growth in Alberta.

At the present time in Alberta, according to the report, there is a surplus of butane produced from the gas conservation plant at Devon. This butane is available at low cost. Experience in the U. S. has been that the liquefied petroleum gas fraction (propane and butane) is a more reactive and more versatile raw material than the whole natural gas for direct chemical synthetics. For that reason, it has found increasing use of chlorination, nitration and partial oxidation reactions.

There are two commercial plants in southwestern U. S. producing methanol, formaldehyde, acetaldehyde, and acetone from the partial oxidation of butane. Canadian consumption of these products (to a large extent, imported from the U. S.), appears to be large enough to warrant establishment of a small chemical plant in Alberta (Canadian Chemical Co., subsidiary of Celanese Corp. of America, has since announced intention of constructing a $50 million cellulose acetate and chemicals plant at Edmonton. The chemicals plant will produce acetic acid from natural gas plus several other chemicals including those listed above).

Carbon Black

In the last few years, there has been an increased interest in possibilities of producing carbon black from Alberta natural gas, stimulated by the local availability of the raw material and by the recent drive to reduce American imports.

At the present time, entire Canadian consumption of carbon black, approximately 50 million lbs. per year, worth some $4 millions, is imported from the U. S. The rubber industry, located in Eastern Canada, uses about 90% of this carbon black.

A process developed some 15 years ago on a laboratory scale by Dr. Pidgeon of the National Research Council appears to offer the advantages of high conversion efficiency and at the same time to give a carbon black of average quality.

Economic production of oil, etc. from the Athabasca bituminous sands have been a major Alberta project for years. S. M. Blair, a consulting engineer engaged by the Government of Alberta to survey the whole situation reported in a widely publicized paper that liquid fuel could be extracted by a combination of the hot-water separation process and the fluidized-bed cracking and distillation process.

The individual projects section maintains a technical information service to deal with numerous inquiries received from industry and individual. About 100 such requests were handled during the year. In addition to this, a number of reports were prepared on the feasibility of establishing certain industries in the province. These included paint and varnish making, the alkali industry, utilization of sodium sulphate and gypsum and the coal carbonization industry.

Ontario

Some 50 investigations were completed during 1950 into the development or improvement of products, most of the work being done on behalf of smaller industrial units in the province. Most of these industrial firms are too small to support research laboratories.

Investigations of direct acrylic filling materials for teeth were continued with special emphasis given to problems of volumetric shrinkage and adhesion.

Methods for production of several diazo colors were investigated for the wallpaper industry. Objective is to produce colors of suitable shade and other physical properties.

The Foundation also:

Studied basic chemical and physical properties of sodium triphosphate.

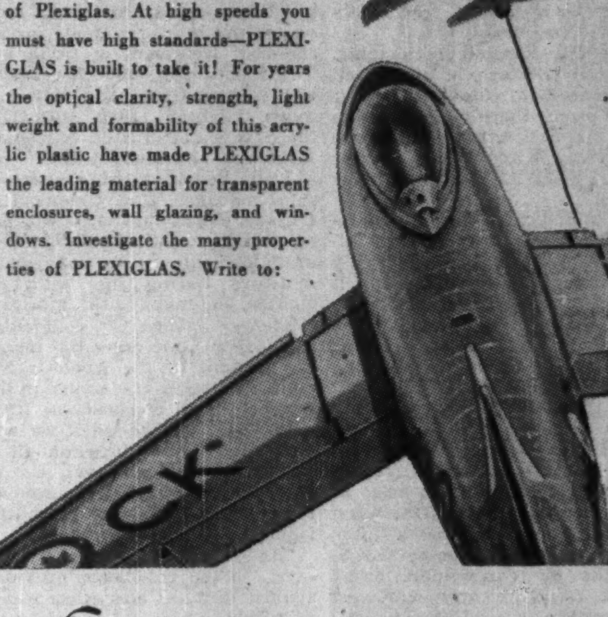
Did research associated with development and production of carboxymethyl cellulose and other chemicals.

Continued promising work in field of wood chemistry. Objective is to open up various chemical problems which may improve existing methods in industry or lead to development of new products. A series of pulps have been prepared out of white birch and these will be analyzed, bleached and converted into paper.

Continued study of essential oils in tree foliage. During this year the program covered the hemlock and balsam fir.

Continued study of carbohydrate content of waste sulphite liquor. Indications of the presence

(Continued on page 27)



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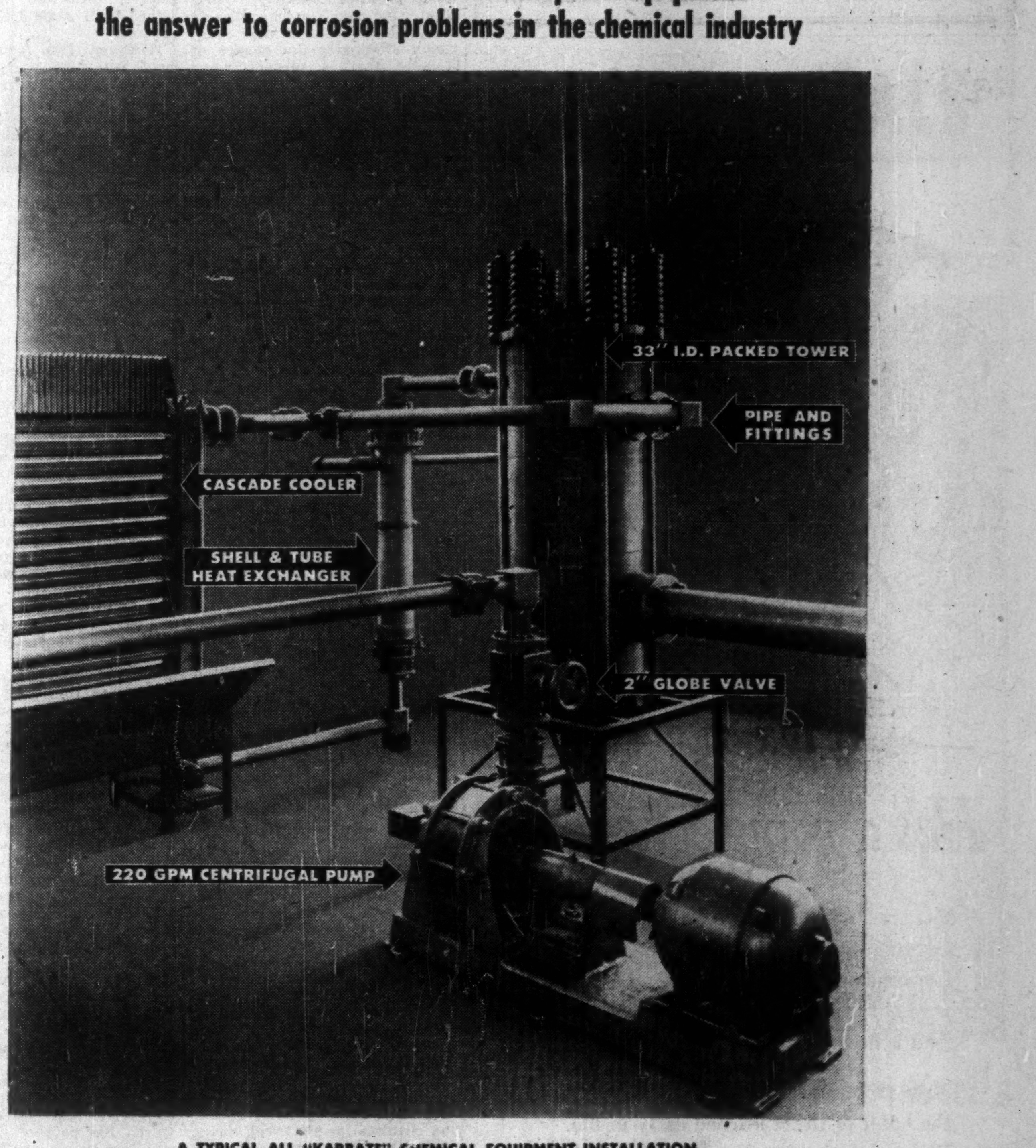

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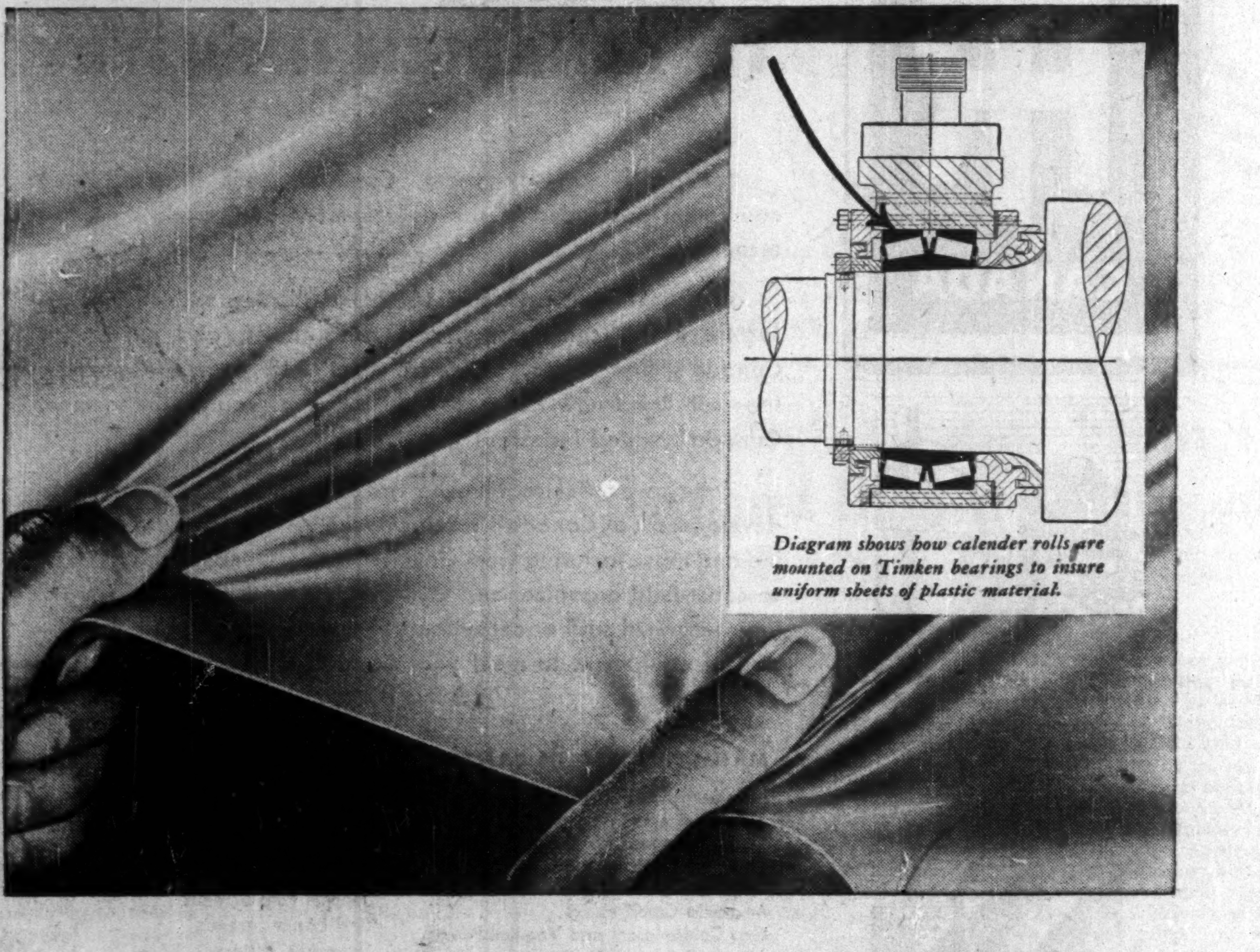

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How Chemists, Builders Work Together

Test-Tube Research Points Way to New and Better Materials

By JOHN CAULFIELD SMITH

The building material most commonly used in the past has been, strangely enough, the one in whose production chemistry played the least part. The lonely standout was wood.

Now the situation is changing. With the shortage of steel, and the tendency to substitute timber in its place, there's big news in what chemical science is doing to improve wood and render it better able to meet the demands made upon it.

In its natural state as a material, wood has a variety of advantages. It is strong, easily worked and relatively cheap. It may be employed for both framing and finishing, and is used extensively in actual construction operations. Shoring, scaffolding and forming are three examples.

At the same time, not only angels are on the side of wood One of its deficiencies is the instability of its dimensions. These tend to alter due to shrinkage or warpage, particularly if the wood is improperly dried. In addition, under certain conditions havoc is wrought by decay and insect attack. Today, new chemical treatments offer protection against these shortcomings.

Urea crystal, for instance, helps keep wood from cracking while it is being seasoned. Mercurials and other disinfectants aid in preventing its discoloration. Wood may be hardened by impregnating it with resins under high pressures and temperatures, and can be preserved when buried or used in damp locations by application of creosote, zinc chloride, copper naphthenate or chlorinated phenols. Other chemicals are put to work to step up wood's resistance to fire, rot, fungus and insects.

Making it Last Longer

Preservatives can greatly increase the life span of frame buildings. As a matter of fact, one of the best arguments for all chemical treatment of wood lies in the nature of modern residential construction. The latter is much "tighter" than formerly: there is a far higher degree of insulation and airtightness.

J. B. Brook, assistant general sales manager, Dow Chemical of Canada, points out that new types of heating and humidification units load interior air with warm moisture during the winter months, and much of this moisture condenses against the cold outer surfaces and increases the moisture content of the wood to the point that decay can occur. In the summer, tight construction traps naturally moisture-laden air and maintains the moisture content of the wood at a high level. Use of a chemical preservative removes the danger of decay resulting from excess moisture.

"An additional benefit," he says, "is the resistance provided against termites and other wood-destroying insects. Not only that but penta-chlorophenol used in house construction contains a water repellent. This increases the dimensional stability of the wood by minimizing checking, warping and other faults associated with varying moisture content. It's a sound investment to treat all lumber, since no one can detect where danger may be present."

There are various methods of treating the wood. It is customary to force the chemical solution into heavy construction timbers under high pressure. Lumber may be soaked or dipped in a tank. In some cases, spraying or brushing gives the desired protective qualities.

New Glues for Plywood

As distinguished from lumber, plywood is composed of layers of wood bonded together in large sheets by chemically produced resin adhesives. A variety of surface treatments is available for decorative purposes, and in addition to its use as wall panelling, plywood is extensively employed for sheathing, subflooring and concrete formwork.

The first deviation from the time-honored animal glues occurred about 1909, when a vegetable adhesive was prepared from Cassava flour.

"Urea resins appeared commercially as adhesives about 1930," says Harold F. Dixon, technical representative of Monsanto (Canada) Ltd., "but did not come into their own until World War II. Phenolic resin film was introduced on this continent in 1935, and in 1939 the first polyvinyl acetate adhesives appeared. Since that time both melamine-formaldehyde resin adhesives have been introduced. All of these are used extensively in the woodworking industry today."

Urea-formaldehyde resins enjoy great popularity in plywood manufacture because of their versatility, which ranges over both cost and performance. They may be used in practically every known application simply by varying their formulation.

The major disadvantage of urea resins is that they do not produce a bond capable of standing up indefinitely under outdoor exposure. For this purpose, phenol-formaldehyde resins are preferred. They provide a fully weather resistant bond at reasonable cost, and have found wide acceptance in the Douglas Fir plywood industry and somewhat less but important application in the hardwood plywood industry.

Malamine-formaldehyde resin adhesives also have weatherproof characteristics, but are too expensive for general use. They are most often employed in the hardwood plywood industry. Their great edge over the phenolics in this field is their clear color which eliminates the chance of staining that is present when manufacturing hardwood plywood with thin face veneers.

"Melamine resins find their greatest acceptance," Mr. Dixon explains, "as additives to urea resins since they impart greater water resistance to the cheaper product. Resorcinol-formaldehyde resins have useful but unlimited application because of their high cost."

Wallboard Developments

While on the subject of plywood, it's appropriate to discuss other building materials that originate in the forest. Take, for instance, the wide range of pulp and paper products.

The functions of sheathing and vapor barrier papers are well known, but equally important are the wood fibreboards and hardboards. Both these boards owe much to modern science. Fibreboard, made from ground pulp, refined and cooked with a chemical binder added, comes in various shades, shapes and thicknesses. It provides a decorative finish as well as valuable insulation. Hardboard, on the other hand, consists of exploded wood fibres.

Plastics in Many Forms

Lignin is also employed in one of the more recent achievements of the plastics industry. During the course of a wartime research project, conducted in the laboratories of Howard Smith Paper Mills, it was discovered that lignin could be isolated in the papermaking process without destroying its remarkable bonding properties. This unique medium is now incorporated in the manufacture of a laminated wallboard acclaimed for its strength, hardness, resistance to heat and cold, and freedom from deterioration. It comes in different colors and patterns for both interior and exterior use.

Wallboard is not the only form in which plastics are available for construction use. They appear in electrical systems, lighting fixtures, hardware, screening, flooring and wall tiles. And their applications are increasing day by day.

Polyvinyl chloride, polythene and neoprene are popular insulating coatings for electrical wiring. They are well adapted for preventing the loss of current. Plastics have an essential role to play in lighting fixture design as well. The diffusing qualities of plastic sheeting are prized for reflectors, bowls and recess covers. Urea-formaldehyde is used in manufacturing electric accessories such as wall switch-plates, ceiling reflectors, convenience outlets and similar items.

Floors and Partitions

A sizeable proportion of the total volume of plastic production goes into floor coverings, with polyvinyl chloride as the usual base. Floor tiles made from this chemical compound (which is also used to line industrial tanks and piping) are famed for the way they stand up to wear, moisture and solvents. Asphalt tile, while not strictly speaking a plastic product, does depend on certain synthetic resins for its lighter color tones.

Giving privacy without visibility, plastic block partitions make striking walls, are effective as divisions between offices and living-dining rooms. They're easily erected by inserting the blocks into a framework of interlocking lattice-type wood strips, and have a highly decorative appearance.

In kitchens and bathrooms, plastic wall tile has found a hospitable welcome. Advantages are its durability, easy installation and generous color range. The tile's chemical base is polystyrene, a petroleum product.

Polystyrene is also employed to make a snow-white multi-cellular foam insulation. This material is rigid, compact, odorless and light in weight. Claiming low thermal conductivity over a long service life, its usual application is to provide low temperature insulation for refrigeration tanks and piping in fur storage vaults, cold storage warehouses and artificial rinks. It was recently installed at Riverdale Terrace Rink, Toronto, the first outdoor artificial ice surface to be provided in that city.

Helps Meet Steel Shortage

Without chemistry, steel could not be produced in its present quantities, nor would it be of as high quality. Now, chemists and metallurgists are busy researching improved processes that will extend supplies of the scarce metal. New methods of steel making will hasten the day when present sized structural members will be able to carry far greater loads, permitting more economy in the use of material.

Attention is also being given to a more rapid method of removing sulphur in the steel-making process. This invention may cut down the need for manganese, also on the shortage list. Thus, it will be a fuel-saver as well as a time saver. The new method could conceivably permit an increase of 10% to 15% in Canada's steel capacity without any addition to present furnace facilities.

New Lightweight Aggregates

Concrete like steel, is a material whose signifance in the construction world cannot be over estimated. To make it, the chemist unites cement with sand, gravel, or crushed stone, and water. Cement itself is a mixture of titro-calcium aluminoferrite, tricalcium aluminate, tricalcium silicate, dicalcium silicate, together with some free lime and gypsum.

However, two facts must be faced regarding use of ordinary concrete. One, it is heavy. Two, a good way to save money in construction is to reduce weight, thus permitting lighter, less expensive foundations and framing.

A variety of materials may be employed to make lightweight concrete. Cinders, furnace slag and heat-treated clays—all chemical products—are most widely known. Newer than these, and possessing advantages due to its strength, availability and light weight, is vermiculite. This mineral, a member of the mica family, is now being mined in Canada. A large deposit exists near Perth, Ontario, and the domestic supply is expected to replace some of the $263,000 of vermiculite imported last year.

As well as having insulating value, vermiculite does away with the necessity of fireproofing structural steel with heavy concrete. Instead, vermiculite plaster can be substituted which weighs only a third as much as concrete using sand as an aggregate.

By adding iron oxide and maintaining a high ratio of silica to iron and alumina in the cement, and later by adding finely ground silica to the concrete and steam-curing it, Canadian researchers have made great strides toward preventing the type of damage which sulphate-bearing fresh water has been doing to building foundations, notably in the Prairie provinces.

New chemical admixtures and coatings have been introduced to waterproof concrete and extend the supply of cement. One of these, Pozzolith (The Financial Post, May 26, 1951), claims a possible reduction of as much as 15% of the cement required in an average concrete mix for given strength. Mention also is deserved by a special cement for flooring purposes. Made with magnesium chloride, it gives a permanently smooth, durable yet resilent surface that will take severe impacts without cracking.

Progress Noted in Paint

By inventive formulation chemists have introduced new paints and added useful characteristics to older ones. Their research has paid off in oil resin emulsion paints, synthetic rubber base paints, enamels harder than any known heretofore, longer life coatings for bridges and similar structures, fire retardent paints, and a host of others. Even the paint for the traditional Cape Cod cottage now covers better, stays white longer, and can be repainted more easily.

Harry Burrell of the Interchemical Corporation, Newark, N.J., states that approximately 500 new materials are introduced to the paint trade every year, including slight changes in grades of standard resins and oils, as well as solvents, pigments and special additives. He comments, "The coatings industry constitutes a remunerative market for a wide variety of chemicals, and the future will see a continued increase in their utilization."

Nowadays, many pigments used in paint manufacture are made in Canada. This is true of zinc oxide, chrome yellows and greens, and iron blues. In fact, one of the most interesting features of the great titanium discovery in the Province of Quebec lies in the fact that titanium dioxide, the most important white pigment, can now be produced here.

Lacquer is another instance of chemical wizardry. Originally made from the sap of an Asiatic tree, it now has a nitro-cellulose base, and gives an even greater range of brightly colored, durable finishes.

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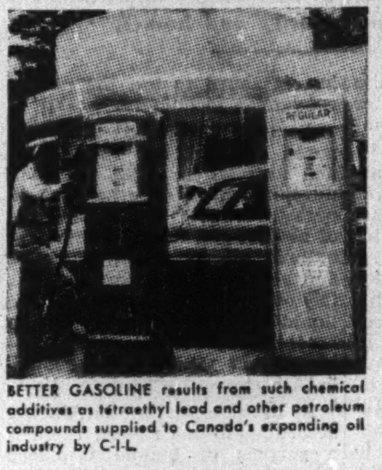

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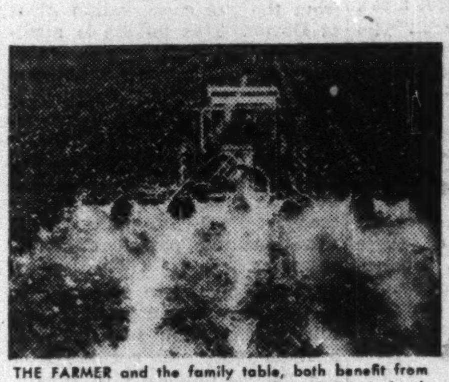
TEAM PLAY between businesses large and small, is exemplified by "Cellophane". Made by C-I-L, it is supplied to other manufacturers, food packagers and stores to protect and show the things you buy.



THE FARMER and the family table, both benefit from greater crops and better quality, through C-I-L's development of modern pest control products and methods.

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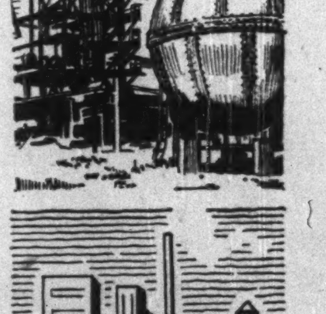
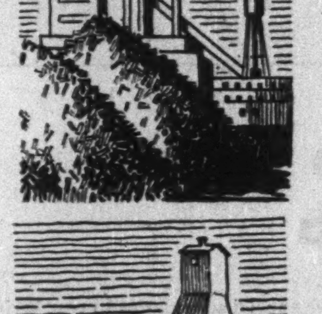
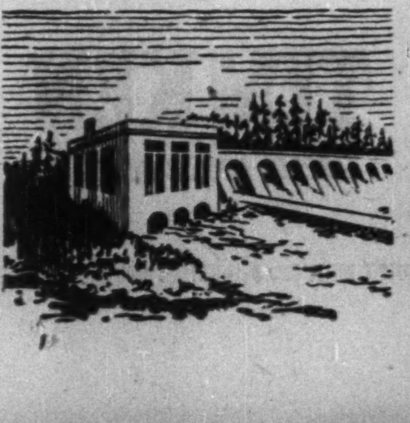
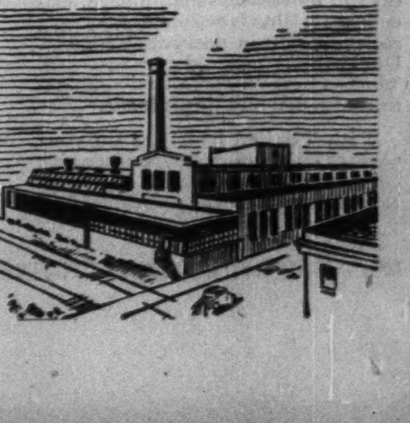






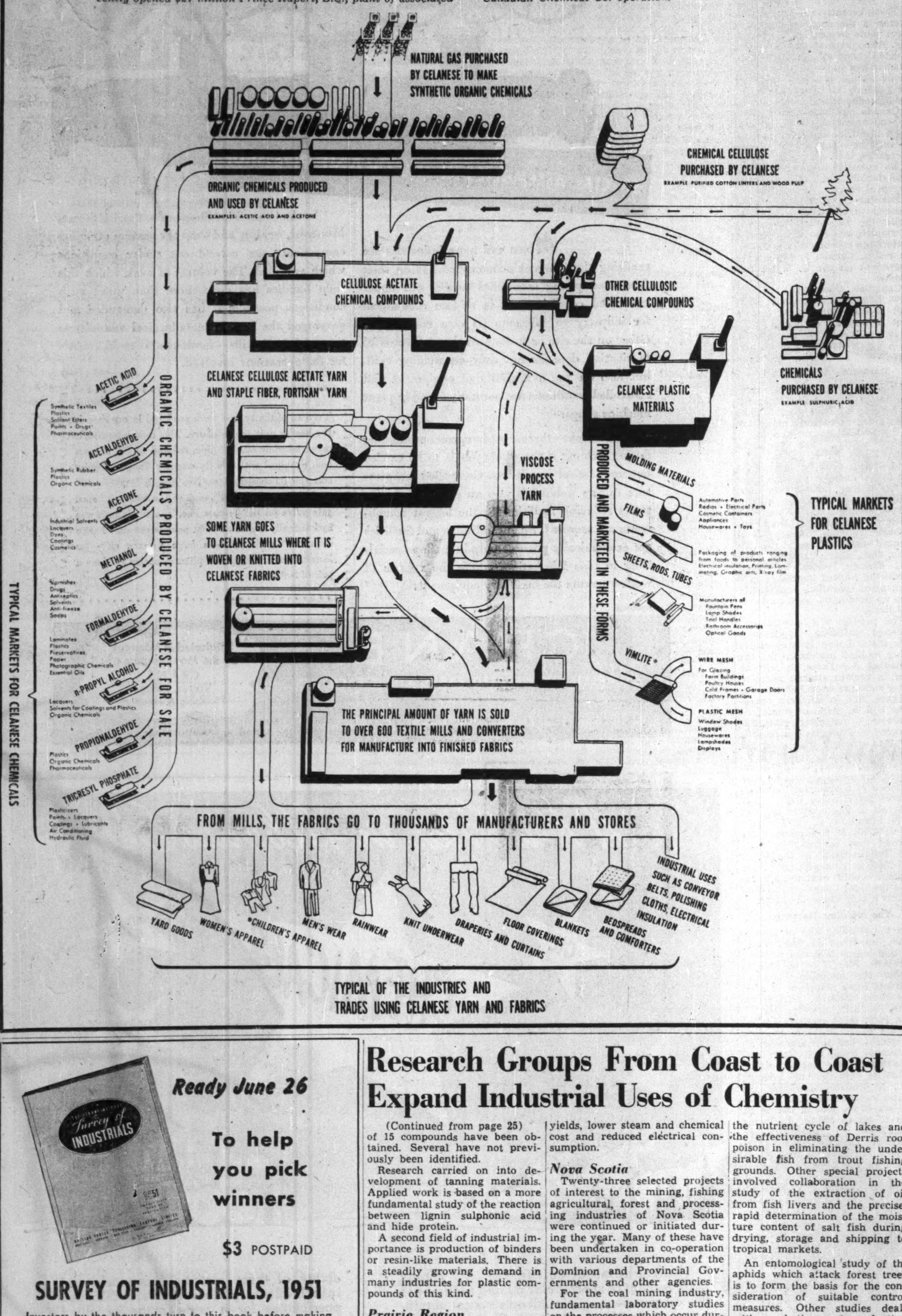


Chemical Magic For New Alberta Plant

In a $40-$50 million chemical plant to be located at Edmonton close to natural gas supplies, Canadian Chemical Co. (newly formed subsidiary of Celanese Corp. of America) will produce cellulose acetate for the domestic and export textile industries and a range of industrial organic chemicals basic in manufacture of a broad range of industries such as textiles, plastics, synthetic detergents, pharmaceuticals, explosives, etc.

Large rolls of highly purified dissolving pulp from the recently opened $27 million Prince Rupert, B.C., plant of associated Columbia Cellulose Co. will be used for processing into cellulose acetate.

Chemical section of plant uses light hydrocarbons (from natural gas) as raw materials for acetic acid and other chemicals. The hydrocarbons (chiefly propone and butanes) are oxidized under controlled conditions to produce a complex mixture of organic chemicals which are then separated in a series of diffusional operations as shown in this flow chart. All the products shown on this master chart will not necessarily be made in the Canadian Chemical Co. operation.


NATURAL GAS PURCHASED BY CELANESE TO MAKE SYNTHETIC ORGANIC CHEMICALS
ORGANIC CHEMICALS PRODUCED AND USED BY CELANESE
EXAMPLES: ACETIC ACID AND ACETONE
CHEMICAL CELLULOSE PURCHASED BY CELANESE
EXAMPLE: PURIFIED COTTON LINTERS AND WOOD PULP
CELLULOSE ACETATE CHEMICAL COMPOUNDS
OTHER CELLULOSIC CHEMICAL COMPOUNDS
CHEMICALS PURCHASED BY CELANESE
EXAMPLE: SULPHURIC ACID
CELANESE CELLULOSE ACETATE YARN AND STAPLE FIBER, FORTISAN* YARN
CELANESE PLASTIC MATERIALS
VISCOSE PROCESS YARN
SOME YARN GOES TO CELANESE MILLS WHERE IT IS WOVEN OR KNITTED INTO CELANESE FABRICS
THE PRINCIPAL AMOUNT OF YARN IS SOLD TO OVER 600 TEXTILE MILLS AND CONVERTERS FOR MANUFACTURE INTO FINISHED FABRICS
ORGANIC CHEMICALS PRODUCED BY CELANESE FOR SALE
TYPICAL MARKETS FOR CELANESE CHEMICALS
ACETIC ACID
Synthetic Textiles
Plastics
Solvent Esters
Paints • Drugs
Pharmaceuticals
ACETALDEHYDE
Synthetic Rubber
Plastics
Organic Chemicals
ACETONE
Industrial Solvents
Lacquers
Dyes
Coatings
Cosmetics
METHANOL
Varnishes
Drugs
Antiseptics
Solvents
Anti-freeze
Soaps
FORMALDEHYDE
Laminates
Plastics
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Essential Oils
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Lacquers
Solvents for Coatings and Plastics
Organic Chemicals
PROPIONALDEHYDE
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Organic Chemicals
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Poultry Houses
Cold Frames • Garage Doors
Factory Partitions
PLASTIC MESH
Window Shades
Luggage
Housewares
Lampshades
Displays
TYPICAL MARKETS FOR CELANESE PLASTICS
FROM MILLS, THE FABRICS GO TO THOUSANDS OF MANUFACTURERS AND STORES
YARD GOODS
WOMEN'S APPAREL
*CHILDREN'S APPAREL
MEN'S WEAR
RAINWEAR
KNIT UNDERWEAR
DRAPERIES AND CURTAINS
FLOOR COVERINGS
BLANKETS
BEDSPREADS AND COMFORTERS
INDUSTRIAL USES SUCH AS CONVEYOR BELTS, POLISHING CLOTHS, ELECTRICAL INSULATION

TYPICAL OF THE INDUSTRIES AND TRADES USING CELANESE YARN AND FABRICS

New 'High Alpha' Pulp Mill Just Opened, to Expand

Although the new $27 million pulp mill of Columbia Cellulose Co. at Prince Rupert, B. C., has barely come into production, officials have already approved substantial expenditures to enlarge it.

The company, a Canadian affiliate of Celanese Corp. of America, began operations in April with an initial capacity of approximately 70,000 tons of pulp annually, sufficient raw material to produce more than 200 million lbs. of acetate yarn and staple fibre.

"World markets for this new mill's products are already larger than the company can supply with present facilities," President Harold Blancke stated at the opening ceremonies last week. "Demand is accelerating faster than production can be built. Even on this day of official opening, we recognize that we must enlarge its productive capacity, and it is quite possible that Columbia Cellulose will have to build additional plants before an equilibrium can be attained between demand and supply."

Present production of the plant comprises dissolving pulp for the cellulose acetate part of the chemical fibre industry. The highly purified grade of dissolving pulp being produced, known as high alpha, will be exported initially. Later a part of the mill output will be consumed in this country in chemical fibre plants engaged in producing filament yarn and staple fibre for the growing textile industry in Canada.

Also Used in Plastics

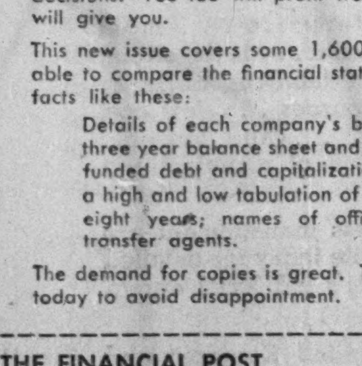
At present Canada imports an important volume of these chemical yarns and fibres, but soon should be able to supply domestic needs and have an export balance as well, it was said. Cellulose acetate in what is called flake form is also the base material for an important section of the plastics industry. It is easily processed into thermoplastic molding compounds, film sheets and packaging materials. These packaging materials are used in an important new application, that of protecting fruit, vegetables and other foodstuffs while in transit between farm and retail customer.

B. C. Government has made available to the company a sufficient forest area to maintain the anticipated pulp mill capacity in perpetuity. The tract, north of the mill location, is the first forest management type of its kind granted by the government. Forest area is ranged along the Skeena and Naas watersheds with 50% of the growth hemlock trees. Most of the timber is nonresinous and, therefore, well suited to the sulphite process of pulping.

Sulphur is supplied for pulping operations by the Texas Gulf Sulphur Co. Local sources of pyrites ore could be considered for extraction if the present sulphur supply becomes serious. Limestone is available from quarries on islands near the mill. Chlorine and caustic is supplied by Hooker Electrichemical Co.

The wood room of the plant is arranged so that the logs are fed up singly by conveyor on the longest and highest log haul-up in any pulp mill on the West Coast.

BOWMANVILLE, Ont. has sold $60,000 4% serial debentures due June 1 1952-71. Issued for school purposes, they were awarded to Wood, Gundy & Co.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S/1-51

Research Groups From Coast to Coast Expand Industrial Uses of Chemistry

(Continued from page 25)

of 15 compounds have been obtained. Several have not previously been identified.

Research carried on into development of tanning materials. Applied work is based on a more fundamental study of the reaction between lignin sulphonic acid and hide protein.

A second field of industrial importance is production of binders or resin-like materials. There is a steadily growing demand in many industries for plastic compounds of this kind.

Prairie Region

This modern, well-equipped research centre is doing some remarkable fundamental research into problems associated with western grain crops and certain waste agricultural products.

New antibiotic and anzyme-producing fermentations are being studied, and radioactive tracers are being used to obtain a better understanding of certain fermentation mechanisms. Many bacterial antibiotics have been checked for possible use in the control of plant diseases in western Canada.

Crop utilization studies include work on starches, proteins, oils from rapeseed, flax, sunflower and similar crops, and the straw residue. Methods have been developed for production of undenatured gluten for use in improving properties of lower grade wheat flour.

Fibre wall-boards produced in the pilot plant using straw as the pulp material have proved to be superior to standard commercial boards. Some attention is being given to the design and construction of a mill to produce mechanical pulp from straw analagous to that from wood. If this can be done, it should result in cheaper pulp through higher yields, lower steam and chemical cost and reduced electrical consumption.

Nova Scotia

Twenty-three selected projects of interest to the mining, fishing agricultural, forest and processing industries of Nova Scotia were continued or initiated during the year. Many of these have been undertaken in co-operation with various departments of the Dominion and Provincial Governments and other agencies.

For the coal mining industry, fundamental laboratory studies on the processes which occur during the combustion of coal underground are leading to a better understanding of the means by which industrially useful gases might be economically produced. Studies on the combustion of mined coal in commercially available stoves and furnaces has shown how increased efficiency may be attained and work on the detailed analysis of coal gas has pointed the way to the development of methods for the elimination of objectionable odors.

For the marine and fishing industries, work has been continued on the growth and regeneration of seaweed and on its industrial processing and utilization as well as some special studies on fish. The chemical composition of marine algae and particularly the extract of Irish Moss known as carrageenin have received detailed study. The use of kelps and rockweeds as a fertilizing material and as a supplement in livestock and poultry feeds has shown promise and some progress has been made in improving the quality of the dried ground Irish Moss used as an emulsion stabilizer.

Special inland fisheries projects dealt with the use of radioactive phosphorus to study the nutrient cycle of lakes and the effectiveness of Derris root poison in eliminating the undesirable fish from trout fishing grounds. Other special projects involved collaboration in the study of the extraction of oil from fish livers and the precise, rapid determination of the moisture content of salt fish during drying, storage and shipping to tropical markets.

An entomological study of the aphids which attack forest trees is to form the basis for the consideration of suitable control measures. Other studies dealt with marketing and production problems of the forest industry.

The Foundation has cooperated with the Provincial Department of Agriculture in a study of cobalt deficiency in cattle in relation to the hay crops and the soils of various regions.

A comprehensive investigation on bog diatomite has shown that whenever the economic situation becomes favorable, over three quarters of a million tons of crude calcined material could be produced in Nova Scotia for coating ammonium nitrate prills, for filler, insulation and sundry other uses.

A study of the hydraulic behaviour of granulated blast furnace slags has thrown much light on the mechanism of the hydration and setting of this material. Some of them can be used to replace up to 50% or more of the portland cement used in concrete.

WATERLOO, Ont., has sold by public tender $322,032 3%; 3¼% and 3½% serial debentures maturing from 1950 to 1971. The issue was awarded to Wood, Gundy & Co. and the Bank of Nova Scotia, who submitted the highest of 14 bids. Proceeds for electricity extension, storm sewers, local improvements, sewage plant and extension to arena.

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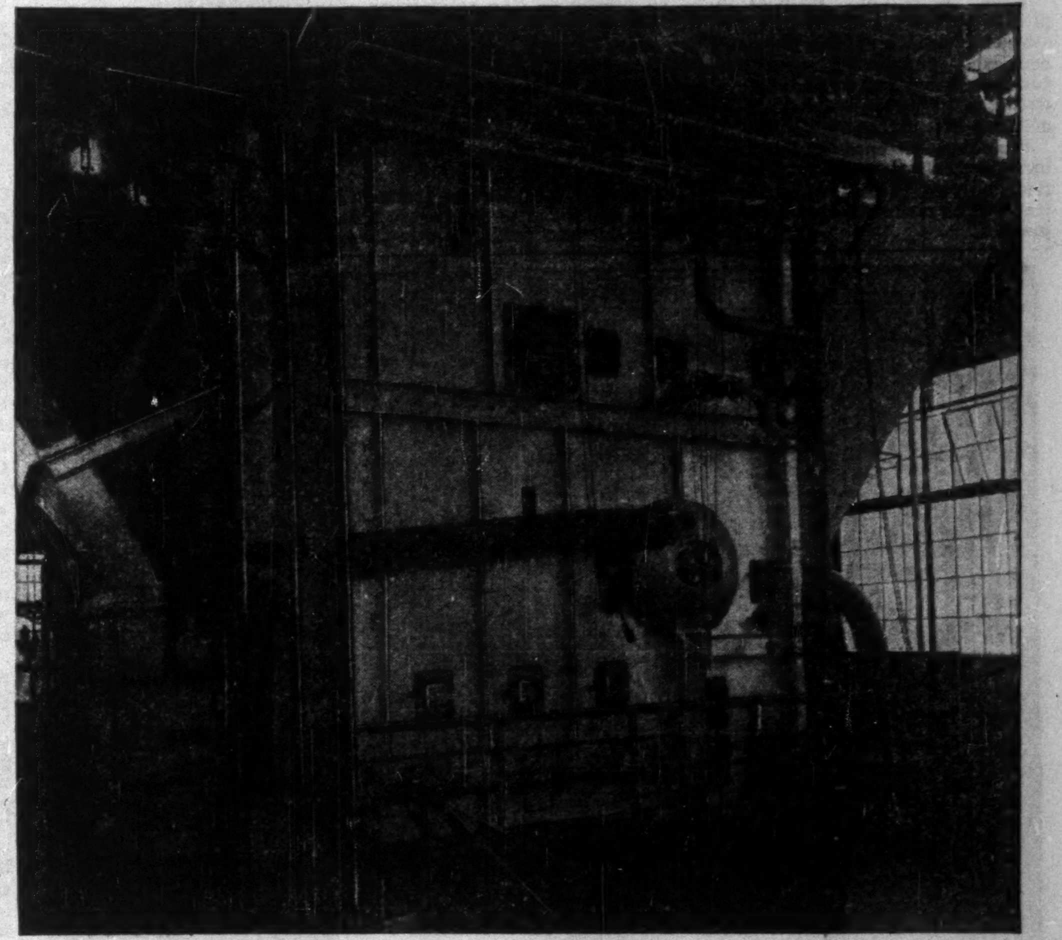

Another Canadian Industry* installs Babcock "Type G" Boilers and Babcock Chain Grate Stokers

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Plastics: Fastest-Growing Industry

Ready For Peace or Defense With Big Expansion Program

The plastics industry, Canada's newest and fastest growing industry, stands ready to prove its dual purpose role of peacetime and defense applications.

First plastics ordered for the current stepped-up defense program have already been placed but it will be late summer or early fall before they reach large volume proportions. No one knows just how heavily they will cut into production for the civilian market or how tight the plastics raw material supply is going to get. Certainly the raw material situation isn't nearly as grim as in the U. S., where diversion of chemicals and plastics resins to defense production has just about swept certain plastics from the civilian market.

One thing is certain—the imposition of a military demand on top of the current high civilian market is going to mean all-out business for just about everyone in the industry.

Here is an indication of just how fast it has grown:

In the first quarter of this year factory sales of all molded, fabricated and extruded plastics jumped 65% over the same period last year. On the chemical end of the business—production of plastic resins—output was up 48% in 1950 over the previous year. This was the largest percentage gain among all divisions of the chemical industry.

Why are things in the plastic industry moving so fast? Take the case of polyethylene—the most talked-about plastic in a decade.

Any program of defense preparedness means thousands of miles of field wire for intercommunication systems. It has to be good; lives and campaigns depend on it—that's where polyethylene comes in.

Defense authorities think they have come up with the biggest advance in years. It's a wire insulated with polyethylene plastic and then covered with nylon. The combination provides a product that has just about everything. It withstands heavy shock, all kinds of weather, is resistant to molds and insects. Most important of all—it stays flexible at wide ranges of temperature. The nylon covering assures high abrasion resistance.

The plastic coatings around the wire will use around 14 lb. of polyethylene and 9 lb. of nylon per mile of wire.

Take the packaging field.

During the early part of Pacific operations in the last war, 50% of stores landed in New Guinea were destroyed by the action of salt spray, fungal growth and insects because of inadequate packaging. That won't happen again because newly developed plastics will be marching to war as protective coatings for everything from the G.I.'s toothbrush to ammunition for 25-pounders.

Light, squeezable, bounceable plastic bottles made out of polyethylene will carry the pharmaceuticals and antibiotics for future military campaigns and reduce the 20%-30% breakage rate of glass bottles.

Canadian defense authorities have just indicated that tableware from now on in the armed services will be made out of melamine plastics.

Growth in the Industry

Bakelite Co. (Canada) Ltd., Belleville, Ont., plan following expansions during 1951.

(1) A formaldehyde plant capable of producing sufficient formaldehyde to supply Eastern Canada.

(2) Additional capacity in resin producing division which will "substantially increase present output of Bakelite resins."

(3) Installation of equipment to produce both molded and convolute wound tubes in the laminating division.

(4) Installation of equipment to produce molded laminated rods.

(5) Expansion of present laminated fabricating facilities to such an extent that all types of fabricated laminated parts can be produced.

Canadian General Electric plan installation of an extra kettle to step up production to a commercial scale on polyester resins. Also planning installation of some extra $200,000 of molding equipment including a 60-oz. injection molding machine.

Naugatuck Chemicals Division (Dominion Rubber Co.), Elmira, Ont., has commenced production of polyester resins at its Elmira plant.

Duplate Canada Ltd. will install a 60-oz. injection molding machine at its Oshawa plant.

Plax Canada Ltd., Oshawa, associate of Duplate, brought in first Canadian plastics unit early this year for manufacture of polyethylene plastics bottles. Firm is gradually extending size and range of bottles, is now turning out a 32-oz. bottle. Officials see market potential of at least 5% of entire glass bottle output.

Robinson Industrial Plastics, London, Ont., has spent $250,000 in last 14 months on new molding equipment and now has injection molding capacity up to 80 oz. (largest size in Canada). Is planning additional 25,000 ft. of floor space next spring. Is biggest molding firm in the refrigerator business today in Canada.

Reliable Toy Co., Toronto, will install a new 60-oz. injection molding machine costing around $100,000 and will expand manufacturing facilities into the custom molding field. Has purchased property in Scarboro, in eastern outskirts of Toronto, for construction of a new plant.

The list could be extended indefinitely.

More Uses For Industry

Why should plastics be outstripping practically every other business? There is one very special reason and it accounts for a good part of the tremendous expansion in the industrial application field.

Shortages and skyrocketing raw material prices, particularly in such competitive materials as rubber, wood, metal, have combined to jolt manufacturers in a broad range of goods out of traditional operating methods. Almost in self-defense, many of them are now giving plastics a try.

Trial runs on small lots are usually leading to large-scale shiftover to plastics in many component parts. Plastics are gradually becoming integral components of washing-machines, electric refrigerators, radios, television sets, vacuum cleaners. Expansion in the furniture field has been almost as great.

Wider and ever-wider application in industry and consumer goods—that's the big story behind the plastics expansion picture. If business were to slide off, the industry looks to this wider base of applications to ease the impact.

This is essentially a forward looking industry. It's run by younger and more enthusiastic men. There is almost a spirit of adventure among the leaders. Nobody quite knows what's coming next. It may be an entirely new plastic like the alkyds with new market potentialities. It may be a new twist in an already established plastic — like reinforcing the waning polyester resin plastics with Fiberglas and automatically opening up a new sea of markets. Or it may be a promising new application that nobody seriously thought of before, like plastic street globes.

Educating Public

It's exhilarating for an industry that had to fight uphill against a lot of adverse publicity due to inferior and misapplied goods after the war. They know that it's going to take maintained high quality of goods, better understanding about plastics and—time, to correct these early impressions.

This job is going to be particularly tough in the lower-priced consumer goods field, where tableware and gadgets are the big volume items.

In the industrial goods field—parts for electrical appliances, electrical fixtures, gears, bearings—the plastics molder has to work to rigid specifications laid down by the purchaser. The product is then rigidly checked on arrival at the manufacturer's plant by his own inspectors. But when Mrs. Housewife enters a chain store to buy a plastic dish, for instance, she doesn't know one plastic from another. When they all look alike she'll likely take the lower-priced product.

Informative labeling on the product can do a good deal to correct this situation. It should start out by telling the consumer the type of plastic material represented and its characteristics. Then it should tell how it will perform in use, how it should be used and cared for. The need for this labeling is particularly necessary in such a new industry as plastics with its new names. A special committee of the Society of The Plastics Industry (Canada) Ltd. has made a good start on this difficult program.

Another committee from this fast-growing organization (now includes some 65% of all Canadian molders) has been acting in an advisory capacity to the Industrial Preparedness Association, reporting on all defense aspects of the plastics industry.

The industry has been taking important new strides in product diversity. The range of essential chemicals and resins being manufactured with "Made-in-Canada" labels is steadily widening. Molders and fabricators have been extending plant, installing new and larger equipment. Operators are gradually extending their plastics know-how by handling a constantly widening range of plastics materials.

Expansion Programs

Three recently announced programs in the chemical field will have wide impact on the industry. Announcement that a newly created chemical company—B. A. Shawinigan Ltd.—will make synthetic phenol at a new Montreal East plant, is happy news for resin producers and molders alike.

Canada has been almost 100% dependent for phenol on imports from the U. S. and supplies have recently been cut back because of increasing U. S. shortages. Phenol is an essential basic chemical in manufacture of the phenolic group of resins.

Bakelite Co. (Canada) Ltd. has decided to construct a plant at Belleville for manufacture of formaldehyde, also a basic raw material in manufacture of phenolic resins. Canada has also been dependent on the U. S. for this product.

Canadian Chemical Co. in a new Edmonton chemicals plant will produce some eight important industrial chemicals with wide application in the plastics field, e.g. paraformaldehyde, methanol.

Marketing New Product

Two companies are just entering the field of polyester resin manufacture. This product has been given an entirely new market potential by reinforcing it with Fiberglas. Last year only some 75,000 lb. of resins were used in this country. Indications are that volume will climb close to one million pounds this year.

Up to now it has been all imported from the U. S. Naugatuck Chemicals division of Dominion Rubber Co. has already commenced manufacture at its Elmira, Ont., plant. Canadian General Electric, which has been producing limited quantities in a pilot plant operation, will shortly step up production on a commercial basis.

This product will have sharply widened military applications over the last war. It is currently being molded into boats for the Canadian Air Force. It will be used in various aircraft parts, in radar masts, as crash helmets. Toboggans used in northern operations will be made of reinforced laminates of polyester resins. Reinforced by Fiberglas this product becomes stronger than steel per pound of weight.

Canadian Industries Ltd. is expected to announce plans for construction of a plant for manufacture of polyethylene flake. Up to now, all of this product has had to be imported, chiefly from the U. S. But U. S. suppliers have warned that skyrocketing military requirements in the U. S. will force sharp export cuts. Such a plant would considerably relieve the tight Canadian situation on this highly essential plastic.

The Molding Machines

In the molding end of the industry, the trend has been to bigger and bigger injection molding machines. This is to be able to handle the increasing size of products being made out of plastics: radio cabinets, refrigerator parts, furniture drawers, etc.

At least three molders are installing 60-oz. injection molding equipment. Installed and with all equipment these will likely cost close to $100,000 a piece. Robinson Industrial Plastics in London, Ont., is probably operating the largest injection machine in Canada—an 80-oz. job. In the U. S., sizes of up to 300-oz. are being used. These will "squirt out" an entire refrigerator interior. The number of ounces represent the weight of the plastic piece that can be handled at one operation.

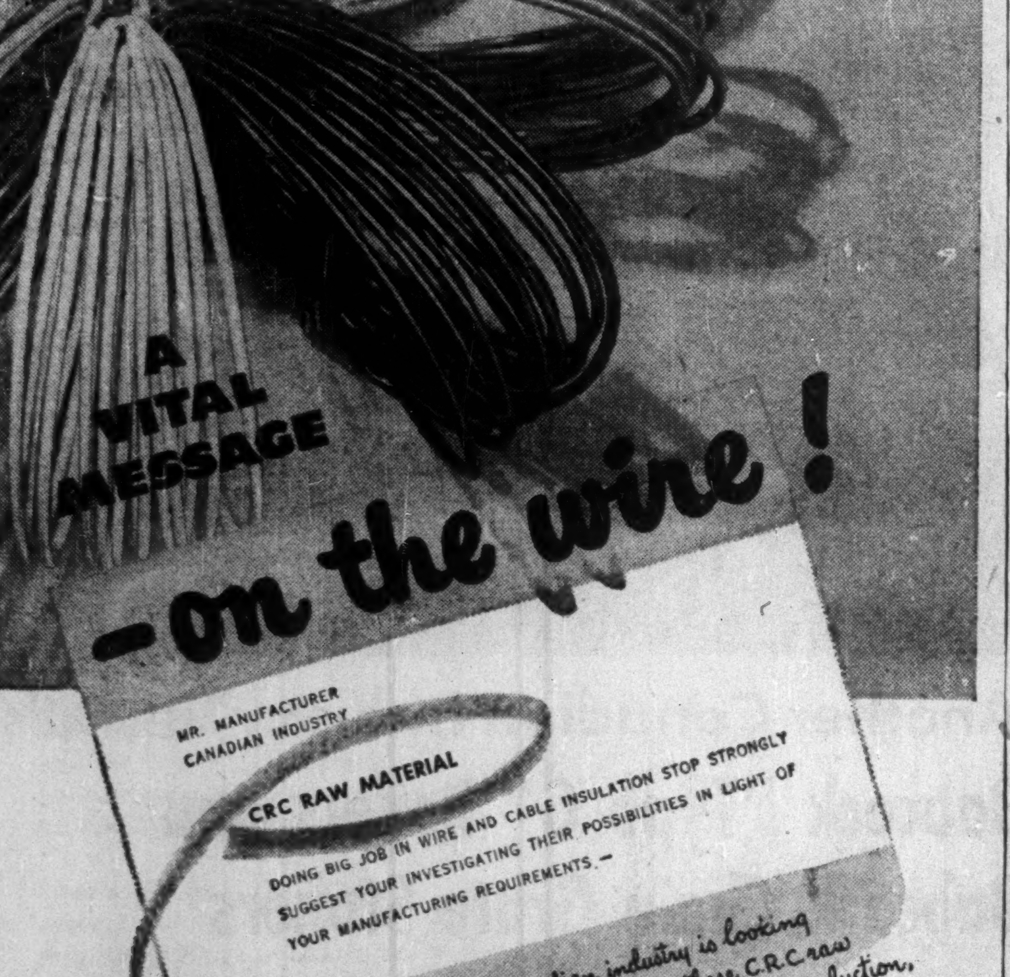
New equipment and new techniques have enabled the fast growing vinyl plastics industry to produce a wider range of materials, particularly in the soft goods field. Introduction of embossing facilities and superior printing methods has given rise to new applications. Vinyl plastic is now being produced in fabric-like finishes ranging from linen and cord to delicate lace, particularly applicable in manufacture of such items as place mats, handbags, curtains and raincoats.

Demand in this field has grown so great that two new plants are now operating and a third almost completed, to provide additional facilities for surface printing. There has been no slackening in demand in the industrial field. For instance the wire and cable industry has been requiring increasingly large quantities of vinyl resin. Garden and air hoses are other examples of its many industrial applications.

Gears And Lenses

Two plastic materials deserve special mention when it comes to new industrial applications. Nylon is now going into bearings and small gears in a variety of machine equipment. It is being used also in coil forms, and has a broad range of applications wherever heat and abrasion resistance are essential requirements.

The acrylic plastics are now being used widely as lenses in automotive equipment. Rear lights, parking lights in a number of late model cars are now being made in this plastic material. It doesn't break readily and can be easily molded into complicated shapes.



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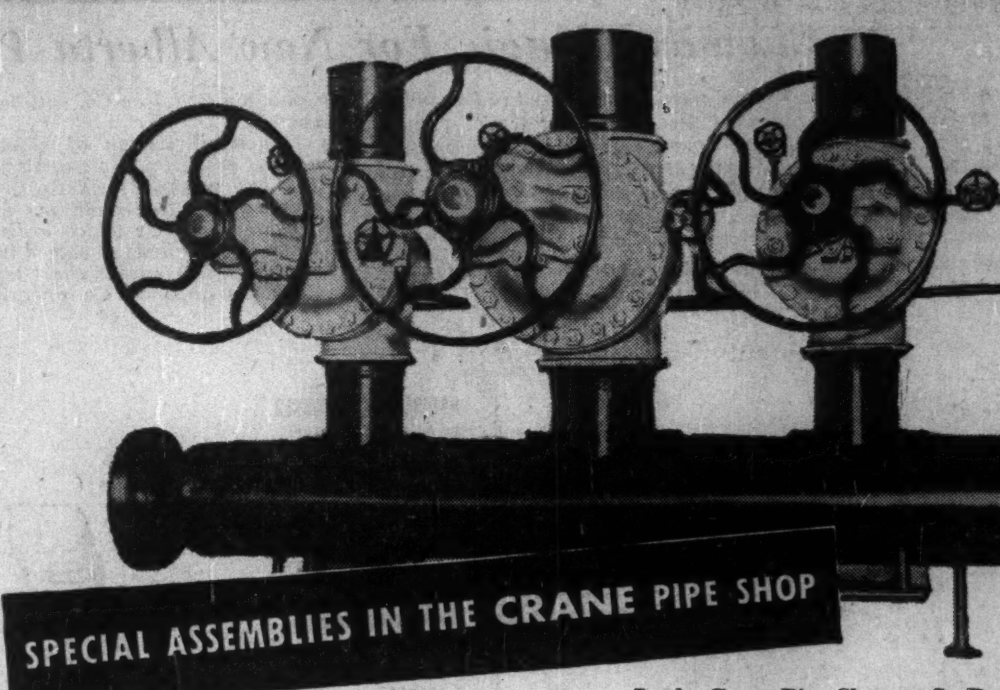
CRC

canadian resins and chemicals ltd.



MORE and more industries are realizing the inherent economy of having their fabricated piping assemblies carried out under controlled conditions. It is seldom economical for industry to fabricate its own components either on the site or in its own shops. Successful fabrication depends not only on welding skill, but also on the availability of equipment and controlled conditions not normally found in plant machine shops.

For example—there must be correct positioning during welding if the whole job is to be carried out under ideal conditions. Controlled temperature during welding is also an essential. Again, stress relieving facilities for the largest components are required. Such conditions and facilities are economically possible only in a shop specializing in pipe fabrication, where the volume of work warrants the necessary equipment.

In the Crane Pipe Shop on St. Patrick Street, Montreal, welding and shop fabrication of piping components are carried out under conditions which are ideal. The volume of work which this shop handles has done more than make such conditions possible; it has also demanded and developed the best in metallurgical administration and staff skills—fundamental requirements for the operations involved.

TYPICAL of the type of work produced in our shop is the header unit shown above. This unit comprises a main, schedule 60, 16" pipe, reduced to 10" at each end, equipped with 600 lb. cranelap flanges. Header components consist of two No. 76½ XR, 600 lb. 10" steel valves and one 14", each with a 600 lb. 1" steel gate valve on the by-pass line. The whole unit was hydraulically tested at 1500 pounds pressure before shipment to the user—a large western city—for installation in their power plant extension between a pair of boilers.

1-9032-CS

CRANE
COMPLETE, INTEGRATED FABRICATING FACILITIES
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CHEMICALS
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NATURAL GAS
COAL
TIMBER
LOW COST POWER

Petrochemical enterprise . . . mighty resultant of spectacular oil and natural gas discoveries . . . is Alberta's most significant development since oil was struck at Leduc in 1947.

Planned production of basic organic chemicals opens a vast new field of industrial opportunities in Alberta . . . supplies a vital need for a domestic Canadian source to replace imports . . . and contributes greatly to defence planning in both United States and Canada.

Upon completion of a new $40,000,000 chemical plant at Edmonton, an extensive line of industrial alcohols and acetic acid derivatives will be obtained by direct oxidation of hydrocarbons from the natural gas. Acetic acid will be combined with wood pulp to produce cellulose acetate for making yarns and plastics. Availability of these essential chemicals and intermediate materials offers unlimited possibilities for a wide range of allied industries.

Petrochemical enterprise . . . most recent great development . . . is the strong end link in Alberta's fabulous chain of abundant natural resources . . . low cost power for industry . . . and strategic location for distribution of manufactured goods.

Inquiries from business management are cordially invited. Write today for detailed information on Alberta's industrial opportunities.

Inquiries from the United Kingdom and Europe may be directed to:

R. A. McMullen, Agent General, Alberta House, 37 Hill Street, London, W1., England.

GOVERNMENT OF THE PROVINCE OF ALBERTA
DEPARTMENT OF MINES AND MINERALS
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Minister of Mines & Minerals
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Eagle 1807 Star
Insurance Company Limited
of London, England

RESOURCES OF THE COMPANY

as at 31st of December, 1950

Paid-up Capital	$ 10,050,000
General Reserve Fund	10,500,000
Profit and Loss Account	4,652,724
Subsidiaries' Reserves	324,702
Life Assurance and Annuity Funds	115,565,112
Sinking Fund and Capital Redemption Fund	5,909,655
Fire Insurance Fund	3,057,837
Accident Insurance Fund	5,845,197
Marine Insurance Fund	5,171,898
	$161,077,125
Uncalled Capital	6,169,854
	$167,248,979
PREMIUM INCOME, 1950	
Fire	$ 6,894,591
Accident	14,712,036
Marine	4,059,987
	$ 25,666,614
Life Assurance and Annuity Premiums	17,559,252
Consideration for Annuities	998,415
Sinking Fund Premiums	511,824
Consideration for Annuities—Certain	121,167
	$ 44,857,272

Based on $3.00 to the £

Head Office for Canada:
Eagle Star Building, 217 Bay St., Toronto
J. H. RIDDEL, Manager for Canada - R. HOLROYDE, Assistant Manager
BRANCH OFFICES: MONTREAL - WINNIPEG - CALGARY - VANCOUVER

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CITIES

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OF CANADA LIMITED

Once Were Wasted, Gases Now Useful

There have been two major revolutions in the history of the petroleum industry.

The first came when gasoline replaced kerosene as the important product in refining.

The second occurred when chemists uncovered the secret of extracting chemicals from certain petroleum gases.

The implications of the second revolution cannot be assessed, because it is still going on. For the petroleum industry, it means development of a huge new chemical industry based on its by-product gases. For the world in general, it means a new reservoir of important basic chemicals.

This second revolution is in the full flush of early growth, coincident with three major developments in Canada—discovery and development of Alberta gas and oil fields, biggest wave of expansion in the history of the chemical industry and a complete modernization and extension of petroleum refining facilities. The timing could help make Canada, in three to five years, one of the world's major producers of petroleum chemicals.

The Major Sites

When petroleum chemists look at Texas, location of the biggest petrochemical industry in the world, with a capital investment estimated at around $1 billion, and then back at Alberta the observation is invariably the same: there is no reason why Alberta in time may not become a second Texas, with dozens of related chemical plants turning out hundreds of end products all based originally on either petroleum gases or natural gas.

Sarnia and Montreal East with their big expansion in refining capacity (making essential gases available) and their nearness to industrial markets are becoming the other major petrochemical sites in Canada.

Getting under way this year at the three sites are projects amounting to well over $75 millions. Planners in all the participating companies say there's more to come yet.

All this development is based on invisible, odorless gases that carry within their structure the potentialities of making any organic chemical known. Already over 200 of these are being produced in North America as basic raw materials for a wide range of intermediate and end products such as antifreeze, alcohol, synthetic rubber, plastics, synthetic detergents, pesticides, explosives.

At one time, all these gases, chock-full of hydrocarbons willing to go to work, were considered nothing but a bothersome disposal problem, a necessary by-product in refining gasoline. Some companies burned them as fuel, others flared them away out of smokestacks. Now they are worth more, potentially, than gasoline.

Expansion Programs

In some cases the oil companies are creating new divisions and going directly into the chemical business. That's the case with both Shell Oil Co. of Canada and British American Oil—the latter in conjunction with Shawinigan Chemicals Ltd. In other cases, the oil companies have preferred to remain essentially in the oil business and have sold their refinery gases as feedstock to chemical companies in the area. There is now a very keen market for all available feedstock in the Montreal and Sarnia refining areas, with chemical companies seeking supplies on a long-term contract basis.

Two refinery programs in the Sarnia area represent potential new developments in the petrochemical industry there. One is a new $18 million refinery for Canadian Oil Cos., the other a combined modernization and extension program for Imperial Oil. Both of these plants should come into operation next year, offering a tremendous boost in available feedstock in the area.

Here's a run down of what's doing on Canada's petrochemical front at the moment:

Canadian Chemical Co. (Canadian subsidiary of Celanese Corp. of America) will shortly start construction on a $40-$50 millions project at Edmonton to produce cellulose acetate for the synthetic textile and plastics industries and some dozen organic chemicals for use in a wide variety of industry. Processing will be based on light hydrocarbons (mostly butane and propane) from natural gas and chemical cellulose (high quality wood pulp from associated company's B. C. plant). It is a foregone conclusion that availability of these important chemicals in quantity will attract satellite chemical plants into the area.

B.A.-Shawinigan Ltd. (Newly formed chemical company owned jointly by British American Oil and Shawinigan Chemicals) will shortly start construction of a petrochemical plant at Montreal East to produce acetone and phenol, products currently in tight supply both here and in major export markets. Refinery gases will be made available from B.A.'s modernized, expanded refinery in the area. Initial plant cost is placed around $4 millions with further sizeable expenditures likely.

Dominion Tar & Chemical Co., a fast expanding Canadian chemical firm, will shortly start construction of a $7 million plant at Montreal East to make ethylene glycol and other associated chemicals. Operation will be based on refinery gases obtained from refineries of two of the major oil companies located in Montreal East. One of the other basic raw materials used in the process is chlorine which will be obtained from the company's caustic and chlorine plant at Beauharnois, Que. In drawing up the new process, officials are looking ahead some five years or more and envisaging considerable product diversity mainly along the line of ethylene products. Since the company is the largest one in the coal tar field, numerous possibilities offer themselves for integration of some of these products into petrochemical operations. Officials are also reported looking into the possibility of producing either sulphur or sulphuric acid — critical North American shortage item.

Sarnia Chemical Valley: A $35-$40 million expansion program is currently under way at this, Canada's first petroleum project. This could form the base for a second round of chemical expansion. Program includes a new $18 million refinery for Canadian Oil Cos. using a "platforming" process for the first time in this country.

Also ahead is modernization and expansion of Imperial Oil's refinery facilities.

Polymer Corp. (Crown-owned synthetic rubber producer) will soon bring in a $9 millions addition, upping capacity some 25%.

The new refinery programs will bring by next year a sharp increase in the all-important petroleum gases essential for further petrochemical expansion in the area.

It also looks highly likely that a carbon black plant will be built in Sarnia within a year to supply Canadian rubber producers and Polymer Corp. requirements. The Cabot carbon black interests of Boston, Mass., have purchased some 10 acres of land from Polymer, with intention of early construction of a plant. Canada has been importing all her carbon black requirements.

Shell Oil Co. of Canada this week announced a $3 million petrochemical project for Montreal East, to produce annually some 20 million lb. of isopropyl alcohol and acetone. This represents first Canadian production of isopropyl and may represent the first production of acetone from petroleum. The new plant will use the propylene gas from the light ends treating plant of Shell's recently expanded and modernized Montreal East refinery.

Isopropyl alcohol has a wide range of uses including de-icer fluid for aircraft; hospital antiseptics; in production of lacquers, etc. In peacetime acetone is an important element in production of rayon, rubber, protective coatings, polishes, etc.: in wartime it is an important component in manufacture of cordite and other explosives. In addition to serving industry in their present form, both isopropyl alcohol and acetone can be used to make other important industrial chemicals such as diacetone alcohol, methyl isobutyl ketone, methyl isobutyl carbinol and hexylene glycol.

Shawinigan Chemicals Ltd. has purchased 460 acres at Varennes, about 15 miles east of Montreal on the St. Lawrence River. As well as developing an industrial site here, officials have plans for a chemical plant to produce important chemicals essential in production of some of the new synthetic textiles such as Orlon, dynal, etc. The property is some eight miles from a 132,000-bbl-a-day refinery area in Montreal East, source of plentiful supplies of essential petroleum feedstock.

Chemicals
are rolling...
from
the
Sarnia
Valley!

Salt plus petroleum, twin bases of many industrial chemicals, have catapulted Sarnia Valley into a position of first importance in Canada's increasingly powerful industrial economy. Here Dow produces many chemicals which are basic to Canadian industry.

We would like to talk to you about your requirements.

DOW CHEMICAL OF CANADA, LIMITED
TORONTO • MONTREAL • REGINA

DOW
CANADA

New Plant, New Techniques in Explosives

Two major developments have taken place in the Canadian explosives industry:

(1) Decision of Canadian Industries Ltd. to build a modern $4 million explosives plant using a process never before employed on this continent.

(2) Development of a split-second blasting.

In a plant now under construction at Calgary, C-I-L will use the continuous "Biazzi" nitration process in making nitroglycerin. Chief advantage over the conventional batch process is in the increased safety provided. In the new process there is only about 100 lb. of sensitive nitroglycerin in process at one time, as compared with about 7,000 lb. under the older system. Production is continuous, whereas in the older system one batch had to be completed and moved out of the way before starting the next. A good deal less labor is involved as well.

Growing market demand in the West, particularly in Alberta and Northwest Territories, prompted company officials to consider a new plant. Rapidly expanding oil exploration programs in Alberta, and now Saskatchewan, using seismic methods to locate underground domes, have been a big factor in the increasing demand for blasting powders. Experts can tell from the pattern of explosion vibrations recorded on special equipment whether geological formations in the area are conducive to oil pools. The process is anything but foolproof, but it does one thing—it reduces the chances of failure substantially.

The seismic method of looking for oil has called on the explosives chemist for a highly specialized product. It must give high velocity detonation so as to produce the necessary vibrations to be recorded on chart. It has to be waterproof since it is placed in a hole in the ground and is often detonated underwater.

Decision to build the plant at Calgary was influenced by availability of essential anhydrous ammonia supplies from Consolidated Mining & Smelter Co.'s nitrogen plant there. The ammonia is used in manufacture of nitric acid for use in nitroglycerin.

Explosives to be manufactured in the new plant are dynamites, semigelatines and gelatines. The dynamites are powdery, free-flowing mixtures of nitroglycerin, ammonium and sodium nitrates and various carbonaceous materials. The semigelatines and gelatines have a gelatinous structure caused by the gelatinization of the nitroglycerin by nitrocotton. High velocity gelatines, which will be one of the main products in the new plant, are the products so much in demand for seismic prospecting in the oil industry.

Plant Outline

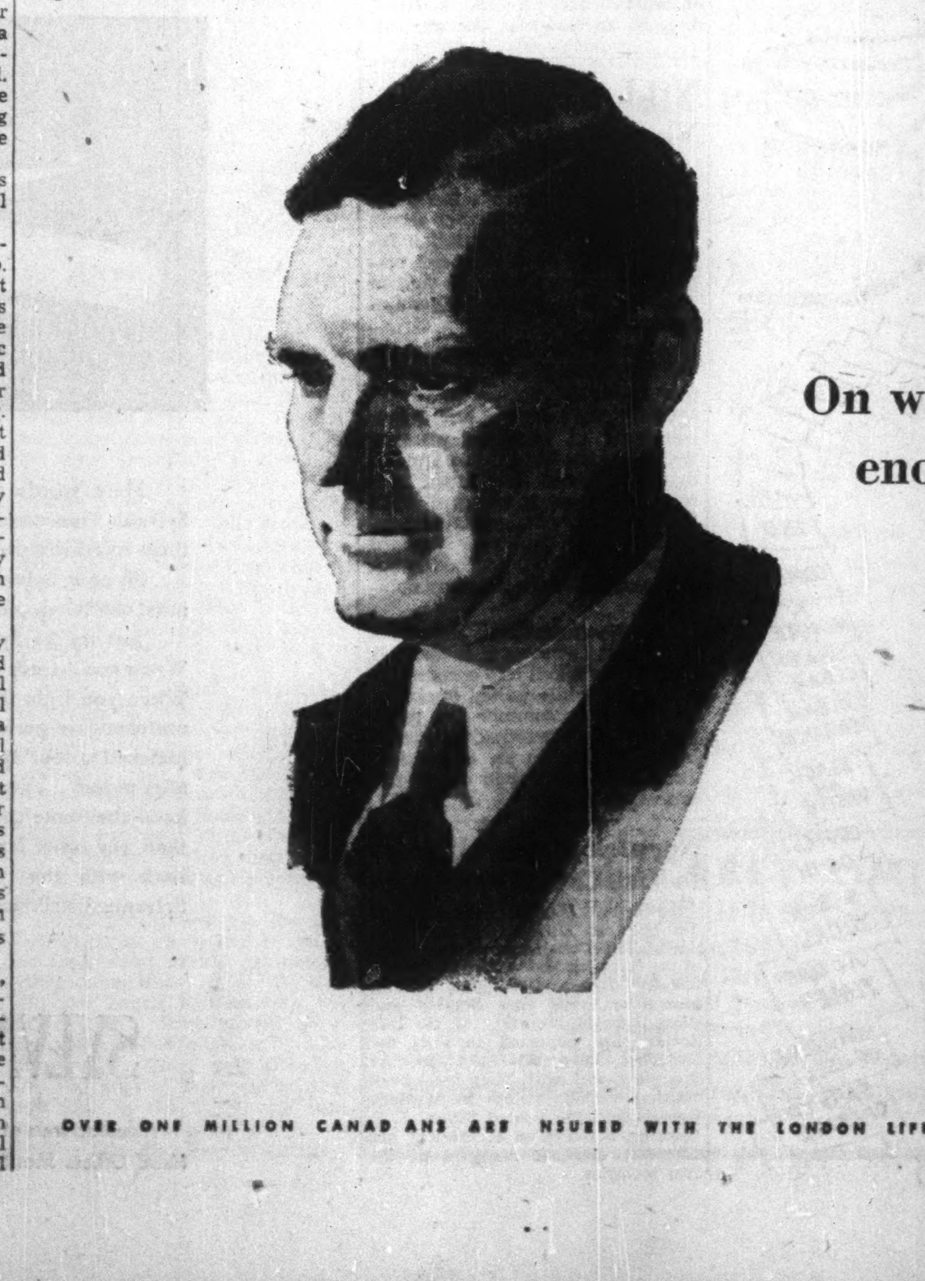
The plant will consist of three general areas, acid, nitroglycerin and high explosives.

In the acid area, weak nitric acid will be produced by air oxidation of ammonia. The acid will be concentrated by distilling with concentrated sulphuric acid and the strong nitric acid will then be mixed with oleum to form the nitrating acid.

In the nitroglycerin area, the glycerin, or a glycerin-glycol mixture and the nitrating acid are fed continuously into the nitrator and the nitroglycerin and spent acid are drawn off near the top of the vessel. Separation, washing and neutralizing steps are carried out continuously.

In the nitrator building there is a series of automatic controls which shut off the feed of acid

(Continued on page 31)



On what I earn—how can I arrange enough insurance for my family?

"I need more life insurance than ever in these days of rising prices, to be sure that my wife and children will have enough to live on if I'm not here.

"How can I carry enough to allow them to live as I want them to live?

"This is such a big problem for me—I really need the advice of an expert!"

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Rigid Tests For Autos and Drivers Urged on Prov. Licensing Officials

More automobiles on the road, increased traffic congestion and greater motoring hazards have brought an increased volume of automobile insurance with resultant heavy claims ratio, Charles Curtis, chairman of the automobile committees of the Dominion Board of Insurance Underwriters and Canadian Underwriters Association, told members at the annual meeting. As the human element remains the big factor in accidents, he suggests rigid drivers' test with mechanical tests of the automobile. Mr. Curtis is Canadian manager, Employers' Liability Assce. Corp. Here is a digest of his address:

In 1950 insurance companies in Canada incurred automobile claims totalling $52,502,000, or $10,283,000 more than in 1949. This figure does not take into account adjusters' fees and other expenses representing a relatively large amount. Of the total, board companies share was $28,815,000.

The results are tabulated for each class of risk and for every rating territory. To ensure that the cost of insurance may be distributed equitably according to the actual experience, refinements in classifications and adjustments in rating territories are constantly under study.

The claims files, forcibly reveal that notwithstanding efforts of the automotive industry to so equip cars as to make them safe to drive, the human element is almost entirely responsible for the heavy toll of lives taken in automobile accidents, to say nothing of those totally or partially disabled and also the material loss.

Human Element

The human element thus being the primary cause of accidents, the automobile insurance industry has a duty to see that provincial government licensing authorities realize the need of requiring every applicant for a driver's license to take a rigid test as to physical fitness and competency. The vehicle also should be tested for mechanical condition.

The enforcement of such tests, together with the enforcement of severe penalties for those violating the rules and regulations under the Highway Traffic Acts, should have far reaching effects. They would be important factors in reducing the number of accidents which are all too frequently due to causes with which we are all familiar, such as driving while under the influence of liquor, overcrowding of automobiles, and driving of cars by minors.

Co-operation With Authorities

The work accomplished through our co-operation with the Provincial authorities has resulted in a marked improvement in those provinces where safety responsibility laws are in force, viz., Alberta, British Columbia, Manitoba, Nova Scotia and Ontario, thus clearly indicating that such laws inure to the benefit of all concerned and are deterrents to claims frequency.

Other commendable protective measures are the automobile accident prevention work that is being done in connection with fleets, and safety campaigns.

Some of the many channels through which these are being conducted are municipal and civic authorities, service clubs, safety leagues and schools. The latter are of particular importance as they afford an opportunity to inculcate in young minds, the moral responsibilities associated with safe driving.

Indictment of Drivers

It is a terrible indictment that carelessness of drivers, their discourtesy, recklessness and utter disregard for the "other fellow" and the rules of the road, should have such far reaching and serious consequences.

While much has been done to make automobile owners and drivers aware of the responsibility that devolves upon them to drive safely and to observe the ethics of the road—since after all they, by their conduct, establish the rates of premium—it is obvious that efforts must be intensified to give them a clear concept of the contribution every automobile owner and driver can make to reducing the number of accidents.

Stolen Cars

An organization which is making a notable contribution to the well-being of the business is the Canadian Automobile Theft Bureau, suported by a group of companies and closely affiliated with law enforcing bodies in its successful recoveries of stolen cars. The Bureau reports that in 1950 the number of stolen cars reported to it by members (The Bureau's operations being confined to Quebec) was 426, of which 419 were recovered, leaving only seven unaccounted for.

This year, to date, 210 cars have been reported stolen, 199 of which have been recovered, leaving 11 unaccounted for. This is indeed an enviable record, and while it does not closely approximate in numbers the 1,700 odd cars stolen in the city of Montreal alone last year, this proportion of recoveries of those actually reported to the Bureau by members is an excellent one.

Arising out of the investigation by the Bureau of automobile thefts reported by members, 133 alleged automobile thieves were prosecuted during 1950, of which 23 were juveniles. One hundred and thirteen were convicted and 20 acquitted.

Bureau activities this year thus far indicate automobile thefts in Greater Montreal alone, up approximately 30% over a similar period last year. The high ratio of recoveries—practically 100%—is still being maintained.

This indicates close co-operation between the Theft Bureau and law enforcing authorities. The Bureau's facilities for technical identification of all stolen cars, where required, are extended to the police authorities.

The fundamental function of the automobile insurance industry, agents and companies, is to make available to the public the maximum of insurance protection at reasonable cost.

To achieve this, every economy in expenses is effected by the companies.

While the benefits of these economies are passed on to the insuring public, greater proportion of the total cost applies to claims costs, which vary with the frequency and severity of losses—over which insurers have no control.

Accordingly, if premiums are to be favorably affected, a reduction in accidents is the answer. Conversely, an increase in accidents means an increase in premium rates.

Fleet Operators

Cultivation of an awareness by the operators of fleets of vehicles of what can be done to prevent accidents—such as the proper maintenance of equipment and the observance of safe driving principles, has inured to the good of the business generally.

Fleet owners have found that experience rating to which their fleets are subjected annually is a barometer, indicating as it does whether their equipment or drivers, or both, come under the classification of "good," "bad," or "indifferent" with premiums affected accordingly.

Much preparatory work is done in establishing premiums. Data is collected from every policy issued and every claim paid, which is submitted by the companies to a central Statistical bureau appointed by the several provincial governments. The material thus gathered is published in a statistical exhibit, and it is upon this basis that rates are based.

Nfld. to Have New Road Law

New insurance legislation in Newfoundland extends the principle of uniformity further across Canada. The new legislation introduced sets up a financial responsibility law similar to that in force in Nova Scotia in general features.

It contains many features of the old legislation but also has some new features.

Under the new law any driver convicted of highway offences will have his car license and his driver's license suspended and shall not have it renewed until he gives proof of financial responsibility for the future for standard limits of $5/10,000 for bodily injury and $1,000 for property damage.

The Newfoundland legislation first draft however, it is claimed, has not yet taken into account the new automobile policy approved in most other common law provinces. The Newfoundland legislation establishes an Unsatisfied Judgment Fund as in other provinces.

Norwich Union Officers to Visit Canadian Centres

Sir Robert Bignold, president of the Norwich Union Life Insurance Society, and chairman of the board of the Norwich Union Fire Insurance Society; James Kirk, joint general manager of the Fire Society and Basil Roberts, secretary of the Life Society are expected to visit the Canadian head office at Toronto this week and next. They have been visiting various points in Western Canada and the United States. J. E. Haskins, and Corbet L. Drewry are Canadian general mangers of the two societies.

EXECUTORS AND TRUSTEES FOR OVER HALF A CENTURY

Life Insurance

TO PROTECT YOUR ESTATE

Long recognized as a great Estate builder, Life Insurance also plays an important role in protecting other assets of an Estate.

Succession Duties and Income Taxes, priority obligations of an Estate, must be provided for in cash before there can be any distribution to heirs. When funds are not readily available, it may be necessary to raise money by the sale of assets in an unfavourable market, at considerable sacrifice.

One way to avoid the danger of such a loss is to arrange now for Life Insurance to cover the expenses to which the Estate will later be subject.

Why not talk over, with one of our experienced Officers, plans for the protection of your Estate?

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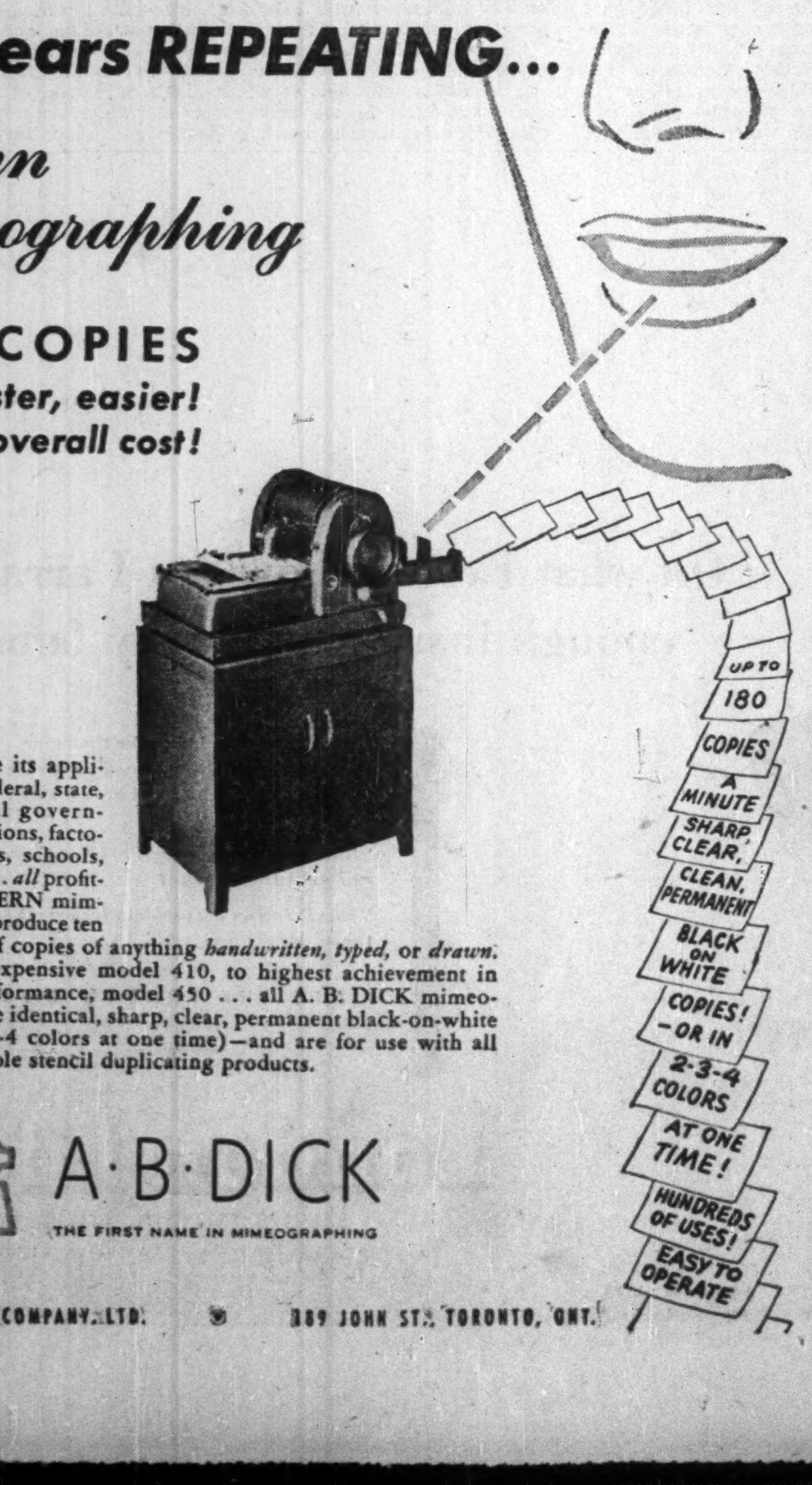
You yourself get liberal dismemberment benefits providing cash for loss of parts of your body.
Ask for our pamphlet "High Public Acceptance" giving particulars of these benefits. It will interest you.

Before You Insure Consult
Confederation Life Association
HEAD OFFICE TORONTO



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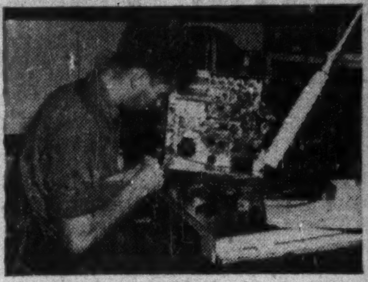

The complex inside workings of a television set in which Anaconda copper is used.

Copper tube is shown assembled into position ready for brazing for refrigerator condenser plates.

Here, two sheets of Anaconda Manganese Brass are being welded to form a refrigerator evaporator.

Some Westinghouse products—photographs courtesy Canadian Westinghouse Company Limited, Hamilton, Ontario.

It's Copper for Better Living

Anaconda copper and copper alloys are essential to the manufacture of Electric Appliances. For example, in the Westinghouse plant in Hamilton, largest of its kind in the British Empire, great quantities of copper wire, tubing and brass products are required daily for refrigerator production. In addition, copper is used in thousands of Westinghouse ranges, washers, radios and other home appliances.

There is no industry in Canada, large or small, that is not in some way dependent on copper. For copper, the metal of many uses, possesses a unique combination of characteristics—malleability, tensile strength, corrosion resistance and electrical conductivity—which continues to place it first with Canadian manufacturers. Anaconda American Brass Limited, Main Office and Plant: New Toronto, Ontario. Montreal Office: 939 Dominion Square Building. ANACONDA — since 1922 Headquarters in Canada for Copper and Brass.

ANACONDA Copper and Brass

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Try 24 Sylvania Fluorescent Lamps of any popular type. If they don't give more light and maintain colour and brightness for a longer time than any other brand, send them back and your money will be refunded.

Sylvania Electric (Canada) Ltd.,
University Tower, Montreal, Que.
Yes, I am interested in buying and trying 24 Sylvania Fluorescent Lamps.
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City..........
Province..........

SYLVANIA ELECTRIC
(CANADA) LTD.
Manufacturers of Fluorescent, Incandescent, and Photoflash Lamps
Head Office: Montreal Plant: Drummondville, Que.

DIVIDEND NOTICES

THE DOMINION BANK

DIVIDEND NO. 275

Notice is hereby given that a dividend of twenty-five cents per share upon the paid up capital stock of this Bank has been declared for the quarter ending 31st July, 1951. The dividend will be payable at the Head Office of the Bank and its Branches on and after Wednesday, the first day of August, 1951, to shareholders of record of the 30th June, 1951.

By Order of the Board.

A. C. ASHFORTH,
General Manager.

Toronto, 7th June, 1951.

MAILMAN CORPORATION LIMITED

DIVIDEND NOTICE

NOTICE IS HEREBY GIVEN that a dividend of One Dollar and Twenty-five Cents ($1.25) per share has been declared on the outstanding Preferred Shares of the Corporation for the quarter ending July 31st, 1951, payable July 31st, 1951, to Shareholders of record at the close of business on July 13th, 1951.

By Order of the Board.

WM. F. MACKLAIER,
Secretary.

MONTREAL, June 6th, 1951.

McCOLL-FRONTENAC OIL COMPANY LIMITED

"PREFERRED STOCK DIVIDEND NO. 20"

NOTICE IS HEREBY GIVEN that a Dividend of $1.00 per share being at the rate of 4 per cent per annum has been declared on the 4% Cumulative Preferred Stock of McColl-Frontenac Oil Company Limited for the quarter ending June 30th, 1951, payable July 20th, 1951, to shareholders of record at the close of business on June 30th, 1951.

By Order of the Board.

FRED HUNT, F.C.I.S.,
Secretary.

CANADIAN PACIFIC RAILWAY COMPANY

DIVIDEND NOTICE

At a meeting of the Board of Directors held today a dividend on the Ordinary Capital Stock of seventy-five cents per share was declared in respect of the year 1951, payable in Canadian funds on August 1, 1951, to shareholders of record at 3 p.m. on June 22, 1951.

Of this dividend twenty-five cents is attributable to railway earnings and fifty cents to income from other sources.

By Order of the Board.

FREDERICK BRAMLEY,
Secretary.

Montreal, June 11, 1951.

WESLEY MASON MILLS LIMITED

DIVIDEND NOTICE
PREFERRED SHARES

A dividend of One Dollar and Thirty-seven and One-half cents ($1.37½) per share on the 5½% Cumulative Redeemable Sinking Fund Preferred Shares of the Company has been declared for the three months ending July 31, 1951, payable August 1, 1951, to shareholders of record July 16, 1951.

By Order of the Board.

N. E. DRYSDALE,
Secretary-Treasurer.

Montreal, June 8, 1951.

STELCO

THE STEEL COMPANY OF CANADA, LIMITED

PREFERENCE DIVIDEND No. 160

Notice is hereby given that dividend No. 160 of twenty cents (20c) per share for the quarter ending June 30, 1951 has been declared upon the Preference Shares of the Company, payable Wednesday, August 1, 1951, to shareholders of record at the close of business Friday, July 6, 1951.

By Order of the Board.

H. S. ALEXANDER,
Secretary.

Hamilton, Canada, June 11, 1951.

STELCO

THE STEEL COMPANY OF CANADA, LIMITED

ORDINARY DIVIDEND No. 138

Notice is hereby given that dividend No. 138 of twenty cents (20c) per share for the quarter ending June 30, 1951 has been declared upon the Ordinary Shares of the Company, payable Wednesday, August 1, 1951, to shareholders of record at the close of business Friday, July 6, 1951.

By Order of the Board.

H. S. ALEXANDER,
Secretary.

Hamilton, Canada, June 11, 1951.

Biltmore HATS LIMITED

NOTICE OF DIVIDENDS

Notice is hereby given that the following dividends have been declared for the quarter ending the 30th day of June, 1951.

CLASS "A" DIVIDEND NO. 21

A dividend of 25c (twenty-five cents) per Class "A" share, payable on the 14th day of July, 1951, to shareholders of record on the 29th day of June, 1951.

COMMON DIVIDEND NO. 58

A dividend of 10c (ten cents) per Common share, payable on the 14th day of July, 1951, to shareholders of record on the 29th day of June, 1951.

By Order of the Board.

(Signed) R. P. RAMSEY,
Secretary-Treasurer.

Guelph, Ontario,
June 5th, 1951.

MERSEY PAPER COMPANY LIMITED

DIVIDEND NO. 2
PREFERRED SHARES

NOTICE IS HEREBY GIVEN THAT a dividend of $1.125 per share on the Preferred Stock of the Company has been declared payable July 3rd, 1951, to shareholders of record as at the close of business on June 16th, 1951.

By Order of the Board.

J. A. PARKER, Secretary.

Liverpool, Nova Scotia,
June 5th, 1951.

DIVIDEND NOTICES

THE CANADIAN BANK OF COMMERCE

Dividend No. 258

NOTICE is hereby given that a DIVIDEND OF TWENTY-FIVE CENTS per share on the paid-up Capital Stock of this Bank has been declared for the quarter ending 31st July, 1951, and that the same will be payable at the Bank and its Branches on and after WEDNESDAY, the FIRST day of AUGUST next, to Shareholders of record at the close of business on 30th June, 1951. The Transfer Books will not be closed.

By Order of the Board.

JAMES STEWART,
General Manager.

Toronto, 1st June, 1951.

Anglo-Huronian Limited

DIVIDEND NO. 28

NOTICE IS HEREBY GIVEN that a dividend of Twenty-five Cents (25c) per share, in Canadian Funds, on the issued capital stock of the Company has been declared payable July 26th, 1951, to shareholders of record at the close of business June 28th, 1951.

J. Ingram,
Secretary-Treasurer.

Toronto, June 11th, 1951.

DONNELL & MUDGE LIMITED

DIVIDEND NOTICE

Notice is hereby given that the Directors of Donnell & Mudge Limited have declared the regular quarterly dividend of 25c per share on the outstanding Class "A" Shares of the Company, for the quarter ending 30th June 1951, payable 1st July 1951 to holders of record at the close of business on the 20th day of June 1951.

By Order of the Board.

H. C. DWYER,
Secretary.

Dated at New Toronto, Ontario,
18th June 1951.

The B. Greening Wire Company Limited

Common Dividend No. 55

NOTICE IS HEREBY GIVEN that at a meeting of the Directors of The B. Greening Wire Company, Limited, held in the office of the Company on May 29th, 1951, a dividend of Five Cents per share on the Common Shares of the Company was declared payable July 3rd, 1951, to shareholders of record June 15th, 1951.

F. J. MAW,
Secretary.

Hamilton, Ontario,
June 6th, 1951.

DIVIDEND NOTICE

HENDERSHOT PAPER PRODUCTS, LIMITED

The Board of Directors of Hendershot Paper Products Limited, at a meeting thereof held on June 15th, 1951, declared a seventeenth quarterly dividend of 25c per share on all outstanding Common Shares of the Company, payable July 3rd, 1951, to shareholders of record as at the close of business June 23rd, 1951.

By order of the Board.

W. A. W. Dickson,
Secretary-Treasurer.

ATLANTIC WHOLESALERS, LIMITED

DIVIDEND NOTICE

Notice is hereby given that a Dividend of 10c per share has been declared on the Class "A" and Class "B" shares of the Company payable July 3, 1951, to Shareholders of record June 15, 1951.

EXTRA DIVIDEND

Notice is hereby given that an extra Dividend of 10c per share has been declared on the Class "A" and Class "B" shares of the Company, payable July 3, 1951, to shareholders of record June 15, 1951.

By order of the Board.

R. G. SHARPE,
Secretary.

GENERAL PRODUCTS MFG. CORPORATION LIMITED

Dividend Notice

Notice is hereby given that the following dividends have been declared:

PREFERENCE STOCK

A semi-annual dividend at the rate of 5% per annum on the Preference Shares of the Company for the half year ending June 30th, 1951, has been declared payable July 13th, 1951, to shareholders on record at the close of business June 29th, 1951.

CLASS A AND CLASS B STOCK

A stock dividend at the rate of one share of 3% non-cumulative redeemable Second Preference Stock having a par value of $1.00 per share for each Class A and/or Class B share of the Company has been declared payable July 13, 1951, to holders of the Class A and Class B shares of the Company on record at the close of business June 29th, 1951.

By Order of the Board.

D. G. WALLACE,
Secretary-Treasurer.

London, Ontario,
June 18th, 1951.

DUPUIS FRERES LIMITEE

Preferred Dividend Notice No. 20

NOTICE is hereby given that a dividend of Thirty cents (0.30) per share, being at the rate of 4.80% per annum, has been declared on the $25.00 par value Preferred Stock of the Company for the three-month period ending July 31st, 1951, and payable on August 15th, 1951, to shareholders on record as at July 31st, 1951.

By Order of the Board.

JEAN MARC LALONDE,
Treasurer.

June 12, 1951.

DIVIDEND NOTICE

Hiram Walker-Gooderham & Worts Limited

Dividend No. 140

A dividend of 75 cents a share has been declared on the outstanding no par value Common stock of this Company payable Monday, July 16, 1951 to shareholders of record at the close of business on Tuesday, June 26th.

By Order of the Board.

A. H. STUART,
Secretary

Walkerville, Canada,
June 15, 1951.

Test Tube Magic Creating New Canada

(Continued from page 19)

a selling value at plant of $75.5 millions. One of the highlights of the drug industry's current activity is the relentless search for cheaper and quicker ways of turning out the "wonder drugs." It's a production problem, and a tough one. Since 1945, cortisone has been reduced in price from $200 to $30 per gram. But at that figure it is still available only to a limited number of ailing.

Most pharmaceutical houses are pressing on with research on the problem of synthesizing chemically the antibiotics and hormones. An important part of the program for 1951-52, however, is the application of mass production methods to ACTH, cortisone and some of the vitamin synthetics.

The Paint Division

The paint division is still the largest dollar producer in the chemical industry with a peak production last year of $90.7 millions. The active research programs of many of the chief paint companies are paying off in ever-widening market appeal. There is the new synthetic rubber emulsion paint, for instance, it needs just water for a mixture. When it is dry, it is washable, smooth and durable. Better still it is reasonably priced. There is water-mix enamel, too, costing a third less than the cheapest standard enamel and of considerably higher quality.

Perhaps the most striking development is in a fire-resistant paint. The industry is producing some fire-resistant paints that are not only safer than ever, but have most of the qualities of a first class surface coating as well. The accent throughout the industry is threefold; economic application of research to paint, varnish and lacquer production; stock piling of essential raw materials against a threat of shortages; the drive to make coatings more versatile and useful.

More New Developments

What could be one of chemistry's major postwar contributions to Canada's economy is now emerging successfully from the pilot plant stage. It is a new chemical "leaching" process for extraction of base metal ores. This could conceivably revolutionize base metal mining all over the world, cutting costs substantially and rendering old traditional type smelters and refineries obsolete. Sherritt-Gordon Mines, which underwrote a research program at the University of British Columbia under Professor Frank Forward back in 1946, is now ready to stake the future of a $17 millions plant in Alberta on the new process. The plant goes to Alberta to be close to plentiful supplies of natural gas to be used in manufacture of ammonia. The ammonia will be the important chemical in the leaching process. A fertilizer—ammonia-sulphate—will be a commercial by-product.

International Nickel has been doing ammonia research for some time along with study of other ore extracting methods. If Inco produces an ammonia process, it is expected that it will be distinct again from Sherritt's process.

An outstanding example of how chemical processes can come to the aid of industry at a time of critical shortages will be well illustrated over the next two to three years. Canada has no known sizeable sulphur deposits. We have always depended heavily on the U. S. for sulphur requirements used in a broad range of industry including the pulp and paper industry. But U. S. sulphur deposits are playing out under a tremendously stepped-up world demand; allocation cuts have gone into force. Canadian users will be cut some 20% from 1950 shipments.

Obviously the situation would get progressively worse, something had to be done. Plans for extraction of sulphur from base metal sulphides, waste smelter gas and natural gas have been quickly drawn up. These projects, which now amount to over $11 millions, could make Canada self-sufficient in sulphur in two to three years time. Each project represents recovery of sulphur from some source where it has been going to waste, and uses processes developed by chemical engineers.

OIL PRODUCTION

Alta. Oil Output Climbs To Highest Level So Far

From Our Own Correspondent

CALGARY — Alberta oil wells have proved that they are capable of larger production than ever before.

An average of 165,724 bbl. of oil daily was produced from Alberta wells in the week ended June 11, 1951, an increase of approximately 50,000 bbl. daily over the previous week's total — and nearly 13,000 bbl. daily higher than the previous record high of 152,895 bbl. daily set the week ended May 21, 1951.

The market quota for Alberta wells in June was set at 156,120 bbl. daily against 142,536 bbl. for May. Production is expected to continue at high levels.

Redwater again contributed most of the increase in output, producing 93,330 bbl. daily against an average of 57,496 bbl. the previous week. Leduc output climbed from 36,355 to 47,450 bbl. daily.

* * *

Calvan Expands Plans

Calvan Consolidated Oil & Gas, which recently completed major financing, is now expanding its development program.

A reservation on 500,000 acres in the Peace River area was recently acquired while at the last Crown sale of Alberta leases, the company purchased a half interest, with Pacific Petroleums, in a half section between Joseph Lake and Camrose fields.

Frank Fourhier, vice-president, states the company has taken up 30,000 acres of selective freehold leases in Central and Eastern Saskatchewan. No statement is made as to whether or not any drilling is immediately contemplated. Further, it is understood that Calvan has acquired acreage in Manitoba, but no details are yet available.

Blancke Noyes of Hemphill, Noyes, Graham, Parsons & Co., has been elected a director.

* * *

New Oil Discovery

A discovery of oil with indicated prospects for commercial production has been made by Canadian Superior Oil of California in the Alliance area of central-east Alberta, about 130 miles northeast of Calgary.

Pan Western Oils, Central Leduc Oils and Tower Petroleums have a shared 25% carried interest in the well and the same working interest in a lease spread in the vicinity of the discovery.

Discovery well, Canadian Superior-Borth No. 1-36, L. S. D. 1 36-40-13W4th, 3½ miles northeast of Alliance, is about 30 miles south and west of the Viking-Kinsella gas field and 45 miles east-northeast of the Stettler field.

The discovery was made in the Lower Cretaceous. A second drillstem test gave a recovery of 900 ft. of gassy oil and 840 ft. of salt water, initial test giving a comparable oil rise with no water. The oil sand was encountered at 3,168 ft. The lease spread covers 26,000 acres.

* * *

Lloyd Output Off

A sharp decrease in crude oil deliveries from the Lloydminster field occurred in April due to transportation troubles in the area.

Output was off some 1,800 bbl. daily at 3,498 bbl. daily from 202 wells as against 5,465 bbl. daily in March. An all-time high was recorded in February when the field averaged 6,320 bbl. daily from 268 wells.

Roads in April, and in part of May, were impassable from many well sites and road bans were in effect on a number of highways in the vicinity.

New Plant, New Techniques In Explosives Industry

(Continued from page 29)

and glycerin, or drown the nitroglycerin, when there is a power failure or when the temperature in the nitrator rises too high.

In the explosives area, nitroglycerin and tri-nitrotoluene (TNT) are mixed with oxidizing agents such as sodium nitrate, ammonium nitrate, and sulphur and carbonaceous materials such as wood pulps, ground peach pits, corn starch, wheat flour, etc.

Many improvements will be made in materials handling in this area. The weighted ingredients, termed "dopes" will be moved by a conveyor belt from the dope house to the mix house, while the nitroglycerin will be moved in the conventional way—by rubber-lined buggies. At the mix house the nitroglycerin and dopes will be mixed in a specially designed explosives mixer and the finished powder will then be transported to the cartridging houses by means of cable-drawn, narrow gauge cars.

At the present time only a few of the major ingredients required for explosives manufacture are available in Alberta—ammonia, ammonia nitrate and shooks for the powder boxes, but it is hoped that in time the other materials will become available in the province.

"Split-second" blasting is a new blasting technique made possible in Canada by the use of special "short-period" electric blasting caps developed in this country by two engineers of Canadian Industries Ltd.

Before the new caps were developed, the only types of electric blasting caps available were those which fired simultaneously, or which fired at intervals of about one half second.

Short-period caps are manufactured in series of 16 periods numbered from 0 to 15 inclusive. While the 0's fire instantaneously on application of the firing current, the balance of the series fire at intervals of 25 thousandths to 75 thousandths of a second.

Their action in a blast is this: the rock broken by the firing of the first period has hardly begun to move when it is struck by the force of the charges following, which in turn is struck by the force of the charges on the next later period, and so on. The net result is a churning, grinding action as the forces work in split-second intervals.

Instead of hundreds of tons of rock being scattered by the terrific force of one major blast, it is merely lifted, shaken and broken into fragments, and dropped down again into a pile. There is less concussion and vibration in the new technique. It has been proven that many times more dynamite may be safely exploded at one time by "short-period" caps than with instantaneous firing methods, with no increase in vibration, company officials say.

A second advantage is an increase in utilization of the energy released. Rock is said broken finer.

A third important advantage concerns fly-rock. With former methods, excavation work in cities and towns was highly dangerous and expensive and only a few holes could be blasted at a time. Even then, the holes had to be covered with heavy protective mats to keep rock from flying up and damaging adjacent property.

About the same time the two C-I-L engineers began to work on their short period detonators, other companies in U. S. and England began looking into the same idea. Development progressed independently at C-I-L's Brownsburg plant and although the first caps of this type became available in the U. S., the caps developed at Brownsburg are a wholly Canadian development.

Can. Permanent Will Purchase Trust & Loan Co.

Shareholders of Canada Permanent Mortgage Corp. this week approved purchase of the Canadian assets of The Trust & Loan Co. of Canada. The annual report for year ended March 31, 1950 showed the Canadian mortgage holdings of the company situated chiefly in the three Prairie provinces and Quebec and totaling £1,032,000.

Shareholders of the Trust & Loan Co. of Canada approved sale of assets on June 14. Head office is in London, Eng.

Leduc Oil, New Tanker For B.A. Oil

First shipment has been received in a total of 500,000 bbls. of Leduc crude oil to be delivered this summer to British American Oil Co.'s Clarkson, Ont., refinery. To reach the refinery the initial 25,000-bbls. shipment traveled 1,050 miles by pipeline and 1,023 miles by tanker.

Company has announced plans for construction of a $4.5 million tanker to augment its Great Lakes fleet and to operate on the Superior-Clarkson run. To be built at Collingwood Shipyards, the tanker will have a top speed of 15 knots and a capacity of 115,000 bbls. of crude oil. The ship, expected to be completed in fall of 1952, will make approximately 29 deliveries each year.

Previously the Clarkson refinery was supplied with U. S. crude oil shipped directly from Toledo, Ohio. Installation of pipeline facilities between Alberta and the Great Lakes has made it possible for B.A. to supplement requirements at this plant with domestic production.

Opening date for company's new Edmonton refinery has been set for June 27. The $7 million B.A. refinery will have a capacity of 5,200 bbls., or 182,000 gal. daily. The refinery will serve northern Alberta and parts of Saskatchewan and B. C. Tankerage has been provided for 460,000 bbl. About 150 persons will be employed at the refinery.

'Peg Bag Firm In Shift From Jute to Paper

From Our Own Correspondent

WINNIPEG — Increased consumer demand caused by change from textile to paper bags has resulted in expansion of Bonar & Bemis, Ltd., one of Canada's leading bag companies, head office Winnipeg. A large portion of its plant here will be converted to manufacture of sewn open-mouth multi-wall paper bags.

The plant has been in operation since 1906 manufacturing cotton and jute bags for domestic and export market, chiefly for flour and feed mills and for the sugar, malt and salt industries in Western Canada.

A plant was opened in Vancouver in 1927. In 1948 two new plants were opened, one at Calgary and the other at Burlington, Ontario. The first was for manufacture of textile bags and the eastern plant for manufacture of multi-wall paper bags.

Although cotton and jute have been the main raw materials for the Winnipeg firm, the consuming market has gradually turned to paper bags. To meet this new condition the entire floor of the large Winnipeg plant will be turned over to production of paper bags.

The local company is affiliated with Bemis Bros. Bag Co. in the United States and handles a complete line of bag filling and closing machines designed and manufactured by the Minneapolis plant of the United States company. Repair parts for the machines are stocked in the Winnipeg plant.

Eligible Stocks For Insurance Co.'s

In the list of eligible stocks held by insurance companies in The Financial Post, June 16, the Royal Bank of Canada stocks held should have read 56,590 in 1950, 57,490 in 1949; Toronto General Trusts Corp., 5,883 and 5,669. Stocks marked with asterisk were "old."

CHEMICAL RESEARCH CORP. reports 50,000 shares have been issued to each of two executive officers in consideration for business, financial and managerial services rendered to the company during the past 14 years. Issued capital is 1,160,000 shares, leaving 840,000 shares in treasury.

Grain Prices

Chicago Futures

Week to June 18, 1951

Crop year from Aug. 1, 1950 High	Low		High for week	Low for week	Close Jun. 18
		Wheat—			
2.56½	2.10¾	July	2.40¼	2.35½	2.38⅜
2.57⅞	2.35¼	Sept.	2.43¼	2.38¼	2.41⅞
2.59½	2.41	Dec.	2.46½	2.42¼	2.45⅞
2.58⅜	2.43¼	Mar.	2.48¼	2.45	2.48
2.48⅞	2.46⅜	May	2.48⅜	2.46⅜	2.48⅜
		Corn—			
1.90⅞	1.49	July	1.72½	1.70⅛	1.70⅞
1.89⅜	1.68	Sept.	1.72⅞	1.70¼	1.71¼
1.84½	1.61	Dec.	1.64⅞	1.62⅜	1.64
		Oats—			
.99⅞	73½	July	.82	.78⅞	.80½
.98⅜	.81	Sept.	.83⅜	.81	.82¼
.99¼	.84	Dec.	.86⅛	.84¼	.84⅞
.88	.86⅜	Mar.	.88	.86⅜	.86⅜
.88¼	.86⅛	May	.88¼	.86⅜	.86⅛
		Rye—Old Style			
2.04⅞	1.49	July	1.98½	1.93⅞	1.98
1.99	1.70¼	Sept.	1.87½	1.83⅞	1.86½
2.00¼	1.79¼	Dec.	1.87½	1.84	1.86⅜
		Rye—New Style			
2.05½	1.88½	July	1.99¼	1.95½	1.98
1.99⅞	1.80¼	Sept.	1.88¼	1.84⅜	1.87½
2.01	1.81¼	Dec.	1.88½	1.84½	1.38
		Soybeans—			
		July	3.16	3.09½	3.15
		Sept.	2.97½	2.91½	2.96¼
		Nov.	2.83	2.77⅞	2.81
		Jan.	2.84½	2.80	2.82⅞
		Mar.	2.86½	2.82	2.86⅜

Chicago Cash

	For Week Jun. 18 High	Low	Prev. High	week Low
Corn—				
2 Yell.	1.76½	1.76	1.78	1.77½
Oats—				
1 H. Wh.	.89	.88¼	.89½	.87½

Winnipeg Futures

Week to June 18, 1951

Crop year from Aug. 1, 1950 High	Low		High for week	Low for week	Close Jun. 18
		Oats—			
1.00¼	.77⅞	July	.86⅞	.83⅞	.84
.95¼	.81⅜	Oct.	.86⅞	.84¼	.84⅞
.88⅜	88⅜	Dec.	.85⅜	.83⅜	.83⅜
		Barley—			
1.53¼	1.16	July	1.27⅞	1.19⅜	1.19½
1.42¼	1.18⅜	Oct.	1.24⅜	1.19½	1.19½
1.20⅞	1.18	Dec.	1.22¼	1.18	1.18
		Rye—			
2.31½	1.50⅞	July	2.20⅞	2.07	2.18
2.12	1.72	Oct.	1.93	1.88⅞	1.90
1.90⅞	1.85⅞	Dec.	1.90⅞	1.85½	1.87⅜
		Flax—			
5.09	3.68	July	4.54½	4.18	4.26
4.98½	3.85	Oct.	4.24	4.03	4.06½
4.25	4.22	Dec.	4.13⅞	3.99⅜	3.99⅜

Winnipeg Cash

	For Week Jun. 18 High	Low	Prev. High	week Low
Oats—				
2 C. W.	.86⅞	.83⅞	.87⅞	.84⅞
3 C. W.	.84¼	.81	.85½	.82⅜
Barley—				
1 Feed	1.22¼	1.15¼	1.22¼	1.20½
2 Feed	1.18¼	1.10⅞	1.18¼	1.16½
1 Malt	1.29⅞	1.22½	1.29⅜	1.28
Rye—				
2 C. W.	2.20½	2.10	2.08½	2.03⅜
Flax—				
1 C. W.	4.50	4.24⅞	4.54⅞	4.33½

HALLET & CAREY LIMITED
GRAIN SHIPPERS AND EXPORTERS
GRAIN FUTURES
Owners and Operators
Fort William Terminal Elevator Co. Ltd.
and Powell Transports Ltd.
Head Office—563 Grain Exchange, Winnipeg, Man.
Branch Offices—Fort William, Ont., Montreal, Que.
—Vancouver, B.C.

Report on Fund For Britain Not Expected Until Sept.

It will be September at the earliest before the Ontario Government's report will be ready on the investigation into the affairs of the United Emergency Fund for Britain.

The full story of the fund's quiet demise in 1950 was brought to light recently in The Financial Post, precipitating the enquiry by the Legislature.

Investigation into another charity fund — March of Dimes — is also under way by Ontario's Public Trustee.

This week reorganization of the Polio Fund was announced. The national office is being moved to Montreal and the whole organization decentralized to give provincial branches almost complete autonomy. The central office will act mainly as a liaison.

New president is Lt.-Gen. E. W. Sansom of Fredericton. He succeeds Charles Clay of Ottawa. Dr. W. T. Mustard of Toronto's Hospital for Sick Children, remains as chairman of the National Medical Advisory Committee.

The accounting firm working on UEFB was given specific instructions to do a detailed audit and examine every last petty cash voucher.

What it shows will guide the Public Trustee's investigation from that point. Until the audit is ready, the probe is marking time. No fund officials nor anyone else have been called so far. That is expected to come after the audit is in the Public Trustee's hands. The audit isn't expected to be completed until July.

Hearings are not likely to be public. The Public Trustee is expected to call anyone he thinks might be able to throw some light on UEFB's operations. If the hearings are public, anyone could appear. That would prolong the enquiry and probably not add much relevant material, it is argued.

Investment Trusts

	Bid	Ask
Affiliated Funds	4.86	5.26
Balanced Funds	16.05	17.64
Can. Invest. Fund	6.10	6.70
Corporate Invest.	5.61	6.06
Commonwealth Int.	5.13	5.64
Investors Mutual	6.17	6.67
Leverage Fund	3.71	4.08
Mut. A Funds	12.45	13.37
Resources of Can.	5.68	6.24
Timed Invest.	4.40	4.83
Trans-Canada	18.30	...
Do. B	18.20	...
Do. C	3.80	4.10

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LINSEED OILCAKE MEAL
SOYBEAN OILCAKE MEAL

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COMPANY LIMITED
Operators of Country Elevators in Manitoba and Saskatchewan and Terminal Elevators at Fort William and Port Arthur
Grain Commission Merchants — Shippers and Handlers of All Grains
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THE WEEK'S QUOTATIONS

Montreal and Toronto Winnipeg, Calgary and Vancouver

Quotations here listed are the official stock exchange prices for listed stocks including curb market quotations. For unlisted stocks, quotations by unlisted dealers are given. The Financial Post cannot accept any responsibility for these quotations.

WEEK ENDING JUNE 15

BUSINESS BAROMETERS

	MAY	APR.	MAR.	FEB.	Year Ago
GOVERNMENT FINANCE (millions of $)					
Dom. total revenue	....	218.3	....	....	166.1
Dom. total expend.	....	96.7	....	....	88.0
MERCHANDISING (% ch. from yr. earlier)					
▪Dept. store sales (3) (week June 9)	+1	+11	+8	+16	....
Country store sales (3)	....		+15.3	+10.1	....
Retail store sales (3)	....	+18.7	+17.2	+20.2	....
FINANCE					
Divd. pay index (1) (5)	233.5	232.8	231.0	227.8	201.3
Money supply (millions $)	....	4,669	4,662	4,688	4,386
NEWSPRINT CAPACITY					
Production ratio (7)	....	102.9	101.0	101.8	100.1
RAILWAY FREIGHT LOADINGS					
Tons (D.B.S.) (1)	....	....	201.2	228.1	195.5
Cars (D.B.S.) (1)	....	....	164.4	180.2	157.5
COST OF LIVING					
D.B.S. (1)	182.0	181.8	179.7	175.2	164.0
EMPLOYMENT INDEX					
All industries (6)	....	173.2	172.3	172.4	159.0
Payrolls (2) (6)	....	357.3	353.8	351.0	303.8
MANUFACTURING					
Inventories (1947=100)	....	156.6	153.4	149.2	134.8
Employment (6)	....	188.4	186.3	184.4	172.0

	1951	1950	1951 Jan. 1 to date	1950 Jan. 1 to date	% Change
RAILWAYS (000's omitted)					
▪Carloadings (week June 9)	86.3	80.0	1,794	1,632	+10
C.N.R. gross rev. (Mar.)	52,661	44,865	142,920	116,671	+22.5
C.N.R. net rev. (Mar.)	5,113	3,069	7,387	—852	+967.0
C.P.R. gross rev. (Mar.)	34,507	32,230	98,209	83,178	+18.1
C.P.R. net rev. (Mar.)	2,945	3,264	6,076	1,363	+225.8
IRON AND STEEL PRODUCTION (000's omitted)					
Pig iron (tons) (Apr)	211	188	822	715	+15
Steel (tons) (Apr)	312	279	1,218	1,122	+8.5
CONSTRUCTION (000,000's omitted)					
Contracts awarded (May) ($)	192	112	796	421	+89
▪Cement prod., bbls. (Apr.)	1.3	1.5	4.9	5.4	—8.6
AGRICULTURE (000's omitted)					
Flour exp., bbls. (Apr.)	1,304	732	4,727	3,212	+47
Wheat exp., bush. (Apr.)	11,002	9,334	43,756	38,097	+15
Cattle sales (May) (4)	117	108	565	597	—5.4
Hog sales (May)	386	412	1,969	2,096	—6.1
SEA FISHERIES (000,000's omitted)					
Catch, lb. (Apr.)	62	31	269	253	+6.3
Landed value ($) (Apr.)	2.3	2.1	8.9	7.8	+14
NEWSPRINT (000's omitted)					
Production (Apr.)	448	422	1,799	1,691	+6.4
Exports, tons (Apr.)	416	397	1,625	1,518	+7.0
MINING AND OILS (000's omitted)					
Coal prod. (tons) (Apr.)	1,400	1,317	6,428	6,791	—5.3
Coal prod. (tons) (Apr.)	1,400	1,317	6,428	6,791	—5.3
Gold prod. (fine oz.) (Feb.)	347	350	421	704	+2.4
Petroleum prod. (bbl.) (Mar.)	2,493	2,443	8,290	6,314	+31
ELECTRICAL POWER OUTPUT (000,000 omitted)					
Total monthly kw.h. (Apr.)	4,895	4,070	18,966	16,177	+18
FOREIGN TRADE (millions of $)					
Imports (Apr.)	393	231	1,297	871	+49
Exports (Apr.)	295	206	1,148	954	+20
FINANCE (millions of $)					
Bank debits (Apr.)	9,017	7,443	34,832	28,480	+22
▪Bond sales (May)	473	1,146	2,104	3,156	—33
Life insurance sales (Apr.)	133	107	494	419	+15
OTHER INDUSTRIAL FACTORS					
▪Shoe prod. (000) (Mar.)	3,412	2,967	9,191	8,573	+7
Cigarette cons. (000,000) (Apr.)	1,429	1,364	6,002	5,858	+2.4

(1) Base period 1935-39=100.
(2) All industries.
(3) % change from year ago latest week or monthly average.
(4) Total at yards and plants.
(5) Nesbitt, Thomson.
(6) Base period 1939=100.
(7) Includes Newfoundland.
▪New item this week.

Stocks Not Traded This Week (Continued)

	Div. Rate $	Last sale	June 15 Bid	June 15 Ask
Do. pref.	1.50	24½	24½	..
Dom. Ang. Inv.	**7.00+7.00	156	160	..
Do. pref.	5.00	99	99	..
Dom. Corset	.80	12	11	12
Dom. Fabrics	.80	14	14	20
Dom. Fire	6.00	140	147	..
Dom. Malting	1.00	25	25	26
Do. pref.	5.00	99½	..	100
Dom. Struct. Steel	**.20	12	11	12
Donnell & Mudge A	1.00	10½	10¾	11
East Koot. Pr.	..	6½	..	6½
East. Theat.	**1.00	27	22½	..
Easy Washing	.20+**.10	5½	5½	5¾
Elora Indust.	..	1.50	1.50	3.00
Erie Floor & Wood A	.60	7½	..	..
Do. B	†.50	4½	4¾	..
Esmond Mills	1.00	20	19¾	..
Estabrooks pref.	1.04	21¾	20	22
Federal Fire	2.00+**.25	48	47	..
Fibre Products	.80	10	10	11
Do. pref.	.50	8½	8½	9½
Fisher & Burpe A	†.80	11½	11	..
Do. B	†.25	3½	5	..
Fittings	..	9	9	10
Flash Fast.	..	3½	3	..
Do. pref.	1.00	14	12	14
Ford Motor B	2.00+**1.50	65	..	70
For. Pr. Secs.	..	.30	.30	.60
Freiman	.50+**.25	8	11½	..
Do. pref.	4.50	95	..	95
Gair of Can. pref.	4.00	97	95	..
Gat. Pwr. 5½% pf.	5.50	109	107¾	109
Gen. Products B	**.75	45	45	45
Do. pref.	5.00	104	100	101
Gord. Belyea	3.00	60	..	..
Gord. Mackay B	1.00	16	15¾	15¾
Gould Pumps	▴1.00	65	..	..
Grafton & Co. A	1.00	17½	17½	19
Grand & Toy	.60	16½	16	30
Great West Felt	†.30	3	5	6½
Do. pref.	.50	5	5	6
Great-West Life	20.00	550	500	590
Gt. West Saddlery	†1.00	18½	18½	20
Green'g Wire	.20+**.05	5½	5½	5¾
Growers Wine	..	1.80	..	..
Guaranty Trust	♦.50	13	..	13¾
Hahn Brass A	.80	13½	13½	13½
Halifax Insur.	†.15	8½	8½	8¾
Hamilton Cot. pf.	5.00	100½	..	102½
Hart, J. F. A	.50	8¾	8½	8¾
Hayes Steel	†1.00	32½	..	..
Hendershot Pap.	1.00	11	11	12
Hillcrest Coll.	..	.10	.05	..
Holden Mfg. A	.60	7	7	8
Do. B	..	3½	3	4
Holt Renfrew	..	25	26½	..
Do. pref.	..	125	125	..
Horner, F. W. A	.50	10	..	10
Ho. De La Salle	..	15	14	..
Hubbard Felt	..	4	..	4
Do. A pref.	1.50	17	17	18
Humberstone S.	†1.25	16	16	18
Hunts A	.40	6¾	7	7½
Do. B	.40	7½	7¾	7¾
Huron & E. Mt.	6.00	127	125	132½
Do. 20% paid	1.20	24	24	25
Imp. Varnish pref.	1.50	31½	..	..
Indust. Accept. 4¼% pref.	4.25	82	82	..
Do. 5% conv. p.	1.25	30½	..	31½
Ingersoll M. & T.	.50	8½	8½	9½
Inter-City Bak.	.80+**.10	11	13¾	16
Inter'c. Coal	2.00	30	28¾	..
Do. pref.	8.00	120	119½	..
Int. Milling pref.	4.00	100	..	99¾
Int. Nickel $5 pref.	•.	6½	6½	..
Int. Paints	..	10	8½	10½
Do. pref.	1.20	24¾	..	24
Int. Pap. pref.	▴4.00	109	..	..
Interp. Utilities	..	3.65	3.65	4.00
Invest. Found.	.80+**.20	23	22¾	25
Jam. Pub. Ser.	1.00	12	12	13½
Langleys	..	.75	.75	1.00
Do. pref.	†1.00	75	66	75
Laur. Accept. B	**.15	5½	..	5¾
Legare pref.	†2.00	21	18	..
Lewis	.60	11½	11¾	12¾
Lindsay, C. W. pf.	†4.00	110	100	..
Loew's Theatres	4.00	75	80	..
London Hose.	**.15	4.25	4.25	4.25
Mackin Steel	..	18	17	..
Do. pref.	5.00	88	88	..
Mailman Corp. pf.	5.00	85	..	90
Maritimes Tele.	.80	16	17	..
McBrine pref.	1.00	17	..	17¾
McCabe Grain A	.60	10½	10½	10¾
Do. B	.40+**.10	9¾	9¾	11
Melchers	..	5	5	..
Mersey Pap.	**1.00+stk.	88	83	88
Mica of Can.	.10	1.55	1.55	2.00
Mitchell, J. S.	5.00	110	107	..
Mod. Cont.	1.00+**.25	18½	18½	▴19¾
Mon. Knit. 4½% pf.	4.50	90	90	92
Mon. Life 40% pd.	12%	141	139	..
Monarch Mtge.	**1.00	24½	..	..
Mont. Is. Pr.	..	.15	..	..
Montreal Trams.	..	59	..	..
Moore Corp. pf. A	▴7.00	428	..	..
Do. pref. B	▴7.00	564	..	..
Morgan, H. 4¾% pf	4.75	100½	..	96
Murphy Paint	.80	24½	25	..
Neon Pr. of W. C.	.80	15½	15¾	16
Nor. Can. Mtge.	1.50	25½	25	..
Nor. Trusts	.80	34	..	..
Ont. Beauty Sup.	..	.55	..	.50
Ontario Loan	5.00	125	..	128
Ont. Steel pref.	7.00	140	125	..
Paton Mfg.	.80+**.30	15	16	..
Do. pref.	1.40	25	..	24
Penmans pref.	6.00	145	..	142
Photo Eng.	1.50+**.50	30	29½	30
Premier Trust	2.00	85	85	91
Pressed Metals	▴1.00+**stk.	15½	14¾	15¾
Quebec Tele.	..	4	4	6
Quinte Milk B	**.10	3.15	3.10	..
R&M Bear. A	1.10+†.10	19½	..	21
Regent Knit.	.50	22½	22½	..
Do. pref.	1.60	20	21	..
Reitman's 5% pf.	1.00	19½	19½	..
Reliance Grain	†11.00	.50	.60	2.00
Renfrew Textile A	.60	6½	6	6¾
Renold-Cov. A	1.10+**.05	18¾	14¾	20
Rivers. Mill. B	**1.50	10	10	18
Robertson, P. L.	2.00+**stk.	62	60	62
Robinson Cot.	.40+**stk	10½	7½	8
Robinson Little A	1.00	14½	14½	14½
Rolland Pap.	**.30	17	17½	19
Do. pref.	4.25	80	..	82
Royal Oak Dair. A	.60	9½	9¾	..
Saguenay Pr. P.	4.25	98	..	10 0
St. Law. Flour pf.	7.00	122	122	125
Sangamo	1.00	22	16	22
Sarnia Br.	**.30	9½	9½	10
Scarfe & Co. A	.80	14	14	14¾
Do. B	.40	7½	7½	..
Scythes & Co. pf.	1.25	25¾	24½	..
Shea's Brew. A	.55	16	16	16½
Sher.-Wms.	1.00+**.25	26	24	26
Do. pref.	7.00	140	141	..
Shirriff's pref.	1.00	20½	..	20
Sidney Roof.	.90	18¾	..	18
Silknit pref.	2.00	36½	36½	40
Simon & Sons	†.90	10	6	10
Slater, N.	1.80	35½	35	35½
Sov. Life 25% pd.	7%	65	63	65
Stand. Clay.	..	11¾	7	16
Stand. Pav. pref.	1.25+.50▴▴	28	27¾	29½
Stand. Radio A	.40	7	6¾	7
Stanley Brock A	.60	7¾	7	8
Do. B	.40	6	5½	6
Sterling Coal	..	12	11	12
Sterling Trust	♦1.20	26½	27	30
Stovel Press pref.	.50	4½	..	4½
Stowell A pref.	1.50	19½	17	..
Do. B	..	8	8	..
Sun Publishing	1.20	20	19¾	21
Tamblyn pref.	2.00	49	45	49
Taylor, Pearson	.40	7	7	7½
Do. 5% pref.	.50	11	10¾	11
Theatre Props.	..	4½	1	5
Tip Top Can. A	.50	9¾	..	8½
Tip Top Tailors	.60	21	21½	24
Tooke Bros.	.40	4	6	..
Tor. Iron	.80+**.35	16¾	16½	16½
Tor. Mtge.	5.00+**.50	113½	113½	115
Trad. Bldg.	1.20+**.30	23½	23	..
Traders Fin. B	2.00	24¾	25	27½
Do. 4½% pref.	4.50	88	88	90
Do. A rights	1.00	17½	17½	..
Do. B rights	1.00	17½	17½	..
Tuckett Tob. P.	7.00	158	..	153
Twin City	**1.20	11	11	..
Do. pref.	▴2.50	16	..	..
Un. Accept. Corp.	..	3¾	3½	5
Un. Amuse. B	..	8	8½	10
United Corp. A	1.50	28½	27½	..
United Distill.	1.00	27	25½	26
United Secs.	..	20	10½	18
Viau Ltd.	2.00+†1.00	40	41	..
Viceroy	1.00	20	17	20
Vir. Dare 5% pref.	1.25	15	15	16
Wellington Fire	3.50	75	..	80
Wesley Mason M.	5.50	88	..	90
West. Grain	..	.55	1.00	1.90
Do. pref.	..	60	..	..
West. Grocers A	2.00	34	34½	35
West Koot. pref.	7.00	170	174	..
W'minster Pap. A	.50	10½	10¾	..
Willson Stat.	..	13½	15	..
Do. pref.	5.00	99½	99½	..
Wilson, J. C.	.60+†.05	9½	9¾	10½
Woods Mfg.	1.00	38	..	39
Zellers 6% pref.	1.50	27½	27	..

*On arrears. ▴U. S. funds. ▴▴Participating divd. •Dividend deferred. ♦After stock split. **Paid or payable in 1951. †Paid or payable in 1950. ††30c payable in Dec., 1950 and 70c in 1951.

Mining Stocks

	Div. Rate $	Last sale	June 15 Bid	June 15 Ask
Akaitcho B warr.	...	.08	.08½	.15
Alta.	...	.08	..	.13
Anglo-Hur.	†.40	10.50	10.75	12.50
Anglo-Rou.	...	.16	.14½	.19
Area	...	.18	.18	.19
Arno	...	.03½	.02	.03
Atlas Y'knife	...	.12	.13	.16½
Belleterre	.20	5.40	5.30	5.75
Bruce Cons.	...	.02	.01	.02½
Bulolo Gold	**.25	7.40	..	7.40
Bunker Hill	...	.05½	.05	.07½
Canusa	...	.10	..	.11
Carnegie	...	.50	..	.47
Celta Devel.	...	.06	.04	.08
Cent. Manitoba	...	.20	..	.23
Century	...	.06	.06	.09
Coast Copper	...	2.00	1.50	2.50
Congress	...	.07	.07	.08
Coniagas	...	1.40	1.40	1.60
Cortez	...	.05	.04	..
Croinor	...	.28	.28	.31
Cryderman	...	.01½	.01	.01½
Cuyuni	...	.08	..	..
Dickstone C.	...	.04	.04	.04½
East Amphi	...	.07	.06	.08
Flin Flon	...	.01¾	.01	.02
Fontana '45	...	.05	.03	..
Gold Eagle	...	.07½	.07½	.09½
Golden A.	...	.05½	.05½	.07
Grandoro	...	.23½	.20	.28
Hallnor	.22+.03	3.50	3.50	4.00
Hoyle	...	.46	.47	.60
Island Lake	...	.00½	..	..
Island Mountain	†.05	.75	..	.86
Jack Waite	†.01	.13	.11½	.14
Kerr Lake	...	.30	.25	.40
Lencourt	...	.06	.06½	.09
Maraigo	...	.04½	.04½	.04¾
McGillivray C.	...	.12	.11	.14½
Mentor Explor.	...	1.25	1.50	..
New Alger	...	.07½	.07½	.08¾
New Bidl'que	...	.04	.03½	.04½
N. Louvre	...	.02½	.03	..
Newnorth	...	.04	.03½	.04
N. Rouyn	...	.04¾	.04¾	.06
Normandy	...	.01¾	.01	.02¾
North. Empire	†.15	1.35	1.35	1.85
North Inca	...	.06½	.06½	.08
Orenada	...	.08	.08	.09¾
Pacific East	...	.05	.05½	..
Paramaque	...	.03½	.03½	.04
Partanen	...	.03	.03½	.04½
Pitt G.	...	.04	.03½	.05
Porc. Premier	...	.20	..	.20
Privateer	...	.09	.10	.12
Prospectors Air's	...	1.90	1.80	2.25
Red Hawk	...	.05	.03½	.05
Rice Lake	...	.01½	.01½	.03
Rowan Cons.	...	.22½	.20	.25
Rupununi	...	.02¾	.03	.03½
Soma Duv.	...	.05	.03	.05
S. American G.	...	1.10	..	..
Standard G.	...	.08	.04	..
Star Lake	...	.01	.00¾	.01
Taku	...	.06	.07	.09
Tiblemont	...	.04	.03	..
Vicour	...	.08	.07	.10
Vinray	...	.03	.03	.04
West Ex.	...	.55	.55	..
Winnipeg R. Tin	...	.02½	.01½	.02½
Yukon Cons.	†.06	.60	.60	..
—OIL STOCKS—				
Apex	...	.05	.04¾	.05½
Coastal	...	1.20	1.16	1.25
Marvel	...	.06	.03	.05
Nordon	...	.26	.15	.22
Turner V.	...	.23	..	.28

*U. S. funds. †Paid in 1950. **Paid or payable in 1951. ▪Initial. x Extra. §Sh. of Montauban M. for every 10 shs. held.

Oil Stocks

				Company	Sales	Last June 8	Week Ending June 15 High	Week Ending June 15 Low	Week Ending June 15 Close
3.80	3.00	.....	....	Trans. Emp.	12,213	3.30	3.30	3.20	3.25
1.08	.35	.....	....	Trend. Pet.	11,500	.35	.40	.39	.40
.91	.45	.....	....	United Oils	15,070	.74	.75	.72	.74
.40	.25	.....	....	Vanalta	2,500	.35	.35	.34	.34
.57	.25	.....	....	Vulcan	5,625	.38	.40	.36	.36½
.23½	.09	.....	....	Warner	2,900	.10	.10½	.09	.10
.30	.12	.....	....	W. H'Stead	17,325	.20	.24	.19	.22
.51	.25	.....	....	York Oils	1,000	.35	.32	.32	.32

* U. S. Funds. x Extra. §sh. of Montauban Mines for every 10 shs. held.
† Paid in 1950. ▪ Initial. * Paid or payable in 1951.

Volume of Stock Sales

	Montreal	Toronto	Calgary	Vancouver	New York
June 18 ..	317,300	1,138,000	155,777	88,804	1,340,000
June 16 ..	....	....	......	......	....
June 15 ..	384,000	1,033,000	76,884	100,079	1,660,000
June 14 ..	332,200	1,346,000	83,828	119,133	1,580,000
June 13 ..	296,200	1,054,000	95,151	84,741	1,330,000
June 12 ..	309,300	888,000	71,450	86,467	1,480,000

Mining Stocks

STOCKS NOT TRADED THIS WEEK

Government Bonds

(Supplied by Investment Dealers' Assoc. of Canada)

June 19, 1951

%	Due	Bid	Ask
Victory Loans:			
3	Mar. 1954 ...	100⅝	101⅛
3	Nov. 1956 ...	100¼	100¾
3	May 1957 ...	99½	99¾
3	Jan. 1959 ...	98¾	99¼
3	June 1960 ...	98¾	99¼
3	Feb. 1962 ...	97⅞	98½
3	Oct. 1963 ...	97¼	97¾
3	Sept. 1966 ...	96⅞	97¼
Dom. of Can Bonds:			
3	June 1958 ...	98⅞	99¼
3¼	June 1966 ...	99¼	100⅜
3	Perpetual ...	†95¾	96¼
2¾	June 1968 ...	93¾	94⅞
3¼	Feb. 1952 ser. C ...	101¼	101¾
Can. Nat. W. Ind S.S.:			
5	Mar. 1955 ..	■111⅞	113⅞
Grand Trunk Pacific Rly.:			
3	Jan. 1962 ..	■103⅞	105⅞
4	Jan. 1962 ..	■112⅞	114⅞
Dom. Guaranteed Bonds			
Can. Nat. Railways:			
3	Jan. 1959 ...	98	99
4½	Feb. 1956 ..	■112⅞	114⅞
4½	July 1957 ..	♦114¼	116¼
5	Feb. 1954 ...	103¾	104¾
4½	June 1955 ..	■112⅞	114⅞
2¾	Jan. 1967 ...	93¼	94¼
2¾	Sept. 1969 ...	93¼	95
3	Jan. 1966 ...	96	97¼

%	Due	Bid	Ask
Prov. Govt. Bonds			
Alberta:			
2¾	Dec. 1953/57.	96	97
British Columbia:			
4½	Jan. 1969 ..	♦118¼	120¼
5	Sept. 1953 ...	103½	104½
3	Dec. 1960 ...	94¼	96
3	June 1964 ...	92	93¼
5	Sept. 1959 ..	♦116¼	118¼
B. C. Power Comm.:			
3	Oct. 1957 ...	90⅞	91⅞
Manitoba:			
4	Dec. 1967 ..	♦108⅞	109⅞
5	Dec. 1959 ..	■117¼	119¼
5½	July 1958 ...	108⅞	110⅞
3	Oct. 1965 ...	92½	94½
4½	Dec. 1956 ..	♦110⅞	112⅞
New Brunswick:			
4½	Apr. 1961 ..	♦109¼	111¼
2¾	June 1966 ...	81	83
3¼	May 1957 ...	94	95¼
3¼	Sept. 1965 ...	90	92
Nova Scotia:			
3¼	June 1956 ...	97¼	98¼
4½	Nov. 1960 ..	♦114	116
5	Mar. 1960 ..	♦117¼	119¼
3	June 1956/58.	95	96
2¾	Sept. 1966 ...	90	91
3¼	June 1963/65.	94¼	95¼

%	Due	Bid	Ask
Ontario:			
2¾	Nov. 1965/69.	89⅞	90⅞
3¼	May 1952/55.	97½	98½
3	June 1962 ..	■111⅞	113⅞
4½	Jan. 1962 ..	♦116¼	118¼
2¾	July 1967/76.	87	89
3	Nov. 1963/65.	93⅞	94⅞
5	May 1959 ..	■117¼	119¼
Ont. Hydro Commission:			
4	Aug. 1957 ..	■109¼	111¼
2¾	Oct. 1965/68.	88¼	90¼
3	Dec. 1963/65.	92½	93½
3	Nov. 1967/69.	91¼	92¼
Prince Edward Island:			
3¼	Dec. 1961 ...	97	98
Quebec:			
3¼	Mar. 1954/59.	99⅝	100⅝
3¼	Feb. 1952/55.	100¼	101¼
4½	Aug. 1958 ...	102¼	104¼
4½	Jan. 1963 ...	105⅞	107⅞
3	Sept. 1962/64.	93⅞	94⅞
Quebec Hydro Commission:			
3	Feb. 1969/73.	89⅞	91¼
3	Dec. 1958/60.	95⅞	96⅞
Saskatchewan:			
4	Nov. 1955/60.	99	101
5	Aug. 1958 ...	106¼	108¼
4½	Mar. 1960 ..	♦110⅞	112⅞
5½	Oct. 1952 ...	101¼	102¼
6	Mar. 1952 ...	101¼	102¼
5	Dec. 1959 ..	♦112⅞	114⅞
3	Mar. 1963 ...	92¼	94¼
3¼	Nov. 1960/62.	94⅞	96⅞
3¾	Oct. 1962/65.	99⅞	101¼

†Callable on or after Sept. 15, 1966. ♦Payable Can. or N.Y. ■Payable Can., N.Y., or £

Unlisted Stocks

(Compiled from quotations by Kippen & Co., Montreal and Intercity Securities Ltd., Toronto)

June 18, 1951

	Bid	Ask
Algoma Cent. H.B. Rly. Co.	....	10.75
Allens Toronto Units	44.00	....
Anglo Can. Tel A	11.50	12.25
Ash Temple Ltd.	3.00	5.00
Beauharnois L. H. & Pwr.	27.00	28.50
Brand & Millen A	....	.30
B. C. Sugar	95.00	97.50
Brockville Tr. & Savgs.	64.00	....
Canada Life	640.00	675.00
Can. Admiral Corp.	9.00	10.25
Can. Fire Insur.	22.00	....
Can. Motor Lamp	19.00	20.00
Can. Superior Oils	11.50	12.25
Can. West. Nat. Gas com.	65.00	....
Can. West. Nat. Gas pfd.	18.50	20.00
Capital Wire Cloth com.	15.00	....
Carlton Club	33.00	....
Chase, A. W. units	53.00	56.00
Colonial St'mships Com.	135.00	155.00
Do. pfd.	58.00	68.00
Com. Finance Corp.	26.00	....
Com. Life 10% pd.	10.50	....
Continental Life Assoc.	47.00	....
Cooksville A	18.25	19.00
Do. B	11.50	12.75
Cuban Can. Sugar Com.	7.00	....
Detroit Intl. Bridge	18.50	20.00
Dover Industries Limited	9.00	10.00
Dunlop Tire pfd.	23.75	24.50
Dupuis Freres pfd.	21.00	23.00
Empire Life 25% par $50	20.00	....
Empire Life fully paid	17.50	....
Essex Packers Com.	1.00	....
Do. pfd.	15.00	20.00
Fibre Products 2nd pf.	.50	.90
Foreign Pwr. Co. pf.	....	19.00
Galt Brass Com.	36.00	....
Goderich Elevator & Trans.	14.75	16.00
Granite Club	11.00	12.50
Grt. Britain & Can. Inv.	.80	....
Great-West Life	540.00	590.00
Guardian Realty Pfd.	57.00	....
Guaranty Co. of N. Am.	380.00	420.00
Gurney Products com.	5.50	6.50
Do. pfd.	26.00	27.00
Hart Battery com.	11.50	13.50
Heaps Waterous com.	1.25	2.00
Husky Oil & Ref.	8.00	8.75
Imperial Life	38.50	41.50
Industrial Mtge. Trust	66.00	....

	Bid	Ask
Lambton Golf	135.00	155.00
Lambton Loan Sarnia	83.00	90.00
Laprairie Com.	10.00	....
Do. pfd.	130.00	....
Manufac. Life Ins.	415.00	430.00
Medical Arts Bldg. Toronto	40.00	....
Mississaugua Golf	15.00	20.00
Monarch Life 40% pd	139.00	....
Mountainview Apts. pf.	28.50	....
Nat. Drug & Chem. com.	7.50	9.00
Do. pfd.	10.50	12.50
Nat. Life 25% pd.	62.00	68.00
N. B. Telephone	12.50	13.50
Niag. Lower Arch Bridge	56.00	61.00
Northern Tel. com.	1.50	1.75
Oakville Golf Club	30.00	....
Ont. & Que. Rly. 5% c. stks.	140.00	....
Ont. Jockey Club	2,400.00	....
Peller Brewing Com.	.90	1.15
Peller Brewing pf.	10.25	....
Prov. Bank of Can.	16.00	17.00
Prudential Trust	13.50	15.50
Reliance Pet. Pf.	40.00	44.00
Ritchie Cut Stone pf.	10.50	....
Robinson Cotton new	3.00	4.25
Rosedale Golf	1.40	....
St. Andrew's Est. Un.	1.25	1.50
Sawyer Massey Com.	1.25	....
Scarboro Golf	9.00	....
Sec. Stand. Royalties pf.	.05	.07
Sincennes McN'ton Tugs	2.00	....
Sherbrooke Trust	140.00	....
Sov. Life 25% pd.	63.00	67.00
Stand. Fuel pf. 4½%	38.00	....
Stand. Fuel Com.	4.25	....
Summit Golf	13.00	....
Sun Life Assce.	127.00	130.00
United Co-Op's Ont. pfd.	3.00	....
Un. Farmers Co-op.	3.00	....
United Grain Growers A	18.00	19.50
United Steel pfd. div. $1.50	23.50	25.00
Universal Cooler	7.00	8.00
Victoria & Grey Trust	18.25	19.00
Victoria Tr. & Savings	182.00	188.00
Waterloo Tr. & Savings	125.00	128.00
Wood Alex. units	103.00	....
Do. com.	5.50	7.00
York Downs Golf NFT	40.00	....
Do. Free Trans.	255.00	285.00

Significant Investors' Index Numbers

No. of Securities	Mach. and equip. 11	Pulp and paper 10	Milling 4	Oils 5	Textiles and clothing 10	Food and allied prod. 14	Beverages 10	Bldg. mater. 16	Power and traction 11	Banks 8	Total utilities 15	Total co's 105
*1935 to date:												
High	247.7	287.9	149.7	132.7	221.9	138.5	447.0	168.5	146.2	136.2	149.0	126.1
Low	69.7	51.6	61.2	41.2	78.4	79.5	79.3	66.7	60.2	60.0	65.2	61.1
1951: Monthly Figures												
Jan.	401.9	481.6	104.7	110.1	359.3	125.6	442.4	244.8	135.8	155.6	148.6	153.8
Feb.	422.2	531.6	110.5	126.6	399.6	127.8	463.4	259.7	146.0	158.5	163.2	166.5
Mar.	411.1	513.3	107.1	133.6	393.0	124.4	441.2	251.6	142.4	150.0	158.9	162.9
Apr.	415.8	568.3	106.1	138.2	369.0	123.4	445.4	260.9	143.9	144.1	159.7	165.6
1951: Weekly Figures											■	■
May 3	417.6	604.1	106.2	142.8	371.5	121.1	451.5	270.5	147.1	143.4	162.6	168.9
May 10	414.2	594.3	104.7	142.8	370.5	120.8	444.6	271.7	142.1	145.5	159.2	167.5
May 17	408.4	574.9	105.3	139.3	359.5	117.8	437.2	262.6	138.5	143.7	155.2	163.9
May 24	390.4	545.0	103.7	129.5	350.3	117.2	418.9	254.6	134.7	137.7	149.0	156.5
May 31	401.3	577.6	103.8	140.2	363.0	116.2	429.5	261.5	136.6	138.2	153.9	163.4
June 7	400.3	576.3	101.9	138.1	359.8	118.0	433.7	262.6	136.5	140.9	154.1	163.6
June 14	401.7	562.7	105.1	135.6	357.1	116.5	433.5	256.4	136.3	140.5	154.6	162.1

*High and low for year from 1935 to date inclusive are based on weekly figures issued by the Dominion Bureau of Statistics.

■The above indexes have been revised commencing Jan. 4, 1951.

Toronto Stock Exchange Index

	20 Indus.	20 Golds	15 B.M.	15 W.O.
June 18	326.85	78.35	172.32	104.41
June 16	.....	....	.....	.....
June 15	327.23	79.06	173.07	104.07
June 14	325.16	78.98	172.83	102.67
June 13	324.88	76.54	173.06	101.34
June 12	326.52	76.45	174.22	103.03
Month Ago	318.09	76.16	172.93	102.15
Year Ago	246.24	93.92	123.60	88.58
1951 High	338.62	94.81	191.72	108.60
1951 Low	290.69	74.44	163.37	81.24

Montreal Stock Exchange Averages

	10 Util.	20 Ind.	30 Com.	10 Pprs.	15 Golds
June 18	85.4	219.5	174.8	814.05	61.36
June 16	...	.....	.....	.....	....
June 15	85.2	219.3	174.6	808.93	59.84
June 14	85.5	217.7	173.6	790.02	60.18
June 13	85.6	218.5	174.2	792.77	60.32
June 12	84.9	219.9	174.9	795.83	60.23
Month Aga	85.3	214.3	171.3	776.77	60.95
Year Ago	85.2	159.3	134.6	503.72	62.28
1951 High	90.6	231.8	184.3	876.46	74.33
1951 Low	84.2	192.5	156.5	647.11	55.77

Dow-Jones Closing Stock Averages

	30 Indus.	20 Rails	15 Util.	65 Stocks
June 18	253.80	79.64	42.17	91.92
June 16	.....	....	....	....
June 15	254.03	79.86	42.65	92.03
June 14	252.46	79.38	42.43	91.48
June 13	250.03	79.21	42.56	91.01

	30 Indus.	20 Rails	15 Util.	65 Stocks
June 12	250.57	79.21	42.54	91.13
Month Ago	249.98	78.75	42.09	90.72
Year Ago	222.09	55.53	43.35	77.87
1951 High	263.13	90.08	43.91	95.93
1951 Low	238.99	76.86	41.47	88.31

Corporation Bonds

(Supplied by Investment Dealers' Association of Canada)

June 19, 1951

Public Utility Issues:	Int. Rate %	Due	Bid	Ask.	Prev. Week Bid
▲Alg. Cen. H.B.R.	5	'59	132	137	122
Bell Telephone	3	'77	86	89	86
B. C. Electric	3¼	'67	88	91	88
Do.	3½	'75	88	91	87½
Do.	3¾	'69	93	96	92½
Calgary Pwr.	3½	'72	90	93	90
Can. West Nat. Gas	3½	'71	91	94	91
East Kootenay	3¾	'67	89	93	89
‡Gatineau Pr. D	3¾	'70	90½	93½	90½
Gt. Lakes Pwr.	4½	'69	97	100	96½
Int. Prov. Pipe Line	4	'70	270	285	270
L. St. Law. Pwr.	3¾	'65	93	96	93
Maclaren-Quebec Power	3	'69	89	92	89
Mtl. Trams. B	5	'55	98½	101½	98½
Nat. Lt. & Pwr.	4½	'61	98	101	97½
North. Que. Pr.	4½	'67	95	98	95
Power Corp.	3½	'67	89	92	89
Quebec Power	3	'62	91	94	91
St. Maurice Pr.	3¼	'70	91	94	90
Shaw. W. & Pr.	3	'61	93½	96½	93½
Do.	3	'71	90	93	90
Do.	3½	'73	94	97	94
Un. Fuel Invest.	4	'59	98	101	99
United Secs.	3	'52	100	...	97½
Wpg. Electric	3¾	'71	96	99	96
Industrial Issues:					
Abitibi Pr. & P.	3½	'67	93	96	93
Acadia-Atlantic Sugar	3¾	'65	97	100	97
Aluminum Co.	3½	'74	93	96	93
Anglo-Can. Oil	4	'64	110	115	113
Bathurst P. & P.	3½	'68	97½	101½	97½
B. C. For. Prod.	4½	'66	98	101	98
Bowater's Nfld. P. & P.	3½	'68	93½	96½	93½
Brompton Pulp & Paper	3½	'66	92	95	92
Burns & Co.	4	'63	97	100	97
Can. Steamship	3½	'57	95	98	95
Do.	4	'66	94	97	94
Can. Bread	4½	'67	95	98	95
Can. Brew.	4	'69	92	95	92
Can. Canners	3¾	'70	96	99	96
Can. Celanese	3	'62	90	93	90
Can. Oil	3½	'62	95	98	95
Can. West. Lum.	4	'62	97	100	97
C.P.R.	3½	'70	113	116	113
Cockshutt Plow Co.	4½	'65	97	100	97
Columbia Cell.	5	'68	100	103	99
Consol. Paper	3½	'67	97	100	97
Dom. Textile	3½	'59	95	98	95
Dom. Woolens	5	'64	93	96	93
Dryden Paper	4	'65	96	99	95
E. B. Eddy	3½	'66	93	96	93
English Elec.	4	'67	92	95	92
Federal Grain	4	'64	94	97	94
Gen. Steel Wares	3½	'70	92½	95½	92
Gt. Lakes Paper	3½	'67	93	96	93
Gt. Plains Dev.	1-4	'65	104	109	103
Imp. Tobacco	3	'70	89	92	89
Imp. Oil	3	'69	91	94	91
Indust. Accept.	4	'59	90	93	90
Lake St. J. P.	5	'61	101	...	101
Laurentian Silk	4½	'67	98	101	98
MacMillan (H.R.) Ex.	4	'65	97	100	97
Maple L. M.	3¾	'63	94	97	94
McColl-Fronten.	3	'71	88	92	88
Mercury Mills	4	'63	89	92	89
Mon. Knitting	4	'66	90	93	90
N. S. Steel Coal	3½	'63	96½	99½	96½
Penman's	3½	'66	91	94	91
Price Bros.	3½	'66	93	96	93
Silv. Dairies	4	'60-64	95	98	95
Do.	4	'71	88	91	88
Simpsons Ltd.	3½	'60	96	99	96
Steel Co. of Can.	2¾	'67	88	91	88
Tor. Elevators	3½	'66	93	96	93
Traders Fin.	4	'65	96	99	96
United Corp.	4	'58	97½	100½	97½
United Steel	4	'60	97	100	97
United Grain Gr.	3¾	'70	93	96	93
West. Can. Brew.	5	'67	100	103	100
*Western Grain	5	'63	99	102	99
York Knit. Mills	3½	'71	86	90	86

*Payable in Canada, U.S. or U.K.
▲Payable in Canada or U.K.
‡Payable in Canada only.

Unlisted Mines, Oils

Approximate quotations, 3.30 p.m., June 18, subject to confirmation and change. An asterisk (*) indicates an increase in price, a dagger (†) a decrease in price.

	Bid	Ask
Abenakis	2¾	4
Advance	3½	4
Alexander	2½	4
Ama Kir	3½	4½
Amax	38	42
Angus	—	45
Anna'que	4	5
Arctic	2½	3½
Argonaut	2	3
Ava	3	5
Barber N	2	4
Beacon	13	17
Bar Man	*20	25
Beaulieu	2	3
Beauriv	2	3
Bi Ore	8	10
Biroco	3	5
Blondor	1½	3
B. McDade	9	11
Bour C	3½	5
Bouzanne	5½	7
Braminco	12	15
Bright RL	2	3
Burley Po	1	3
Camlaren	4	5
Camray	5	7
Captain	4	5
Cassidy	1½	2½
Cent Man	*20	22
Cock RL	1	3
Columbier	2½	3½
Comstock	42	45
Con Chib	15	20
Con Cop	7	8
Conecho	14	17
Craibbe	4	6
Croydon	2	4
Cuyuni N	8	11
Derlak	2½	3½
De Sant	3	3½
Doris	2	4
Dunvegan	4	6
Durham	†4	6
E Lund	5½	7
Echo Ind	2	3
E. Bonanz	7½	9
Elmac	4	6
Erin Kirk	1½	2½
Flicka	5	7
Forty For	87	95
Gan Cop	4	5
Glencona	3	4
G'maque	—	15
Gldflds U	*40	45
Golpac	5	10
Gov Gold	2	4
Grd Chib	†40	50
Greenlee	†3¾	4½
Habitant	2	4
Halden	2	4
Harker	2½	3½
Hornfault	9	11
Independ	26	28
Insco	†6	8
Isle Pinn	11	13
Jerome	14	18
Jonsmith	24	27
Kamlac	14	16
Ken Bay	4½	6
Kenda Pe	4	6
Kenogami	2½	4
Kirk GG	1	2
Lar Add	2½	4
LaSalle	3	4
Lassie	†3	4
Le Pine	†5	7
Lennie	1	2
Lk Expan	4	5
Lower Can	1	2
Lun Echo	4	6
Mallen RL	5	6
Mar Bird	2	3
Marquette	1	2
Mary Ann	2	3
Mat Con	20	25

	Bid	Ask
Mate Yel	5	6
McCuaig	3	4
McManus	4	5
Metalore	7	8
Miles RL	2	4
M Scotia	†92	95
Mindus	†46	52
Mink	1	2
Mt. Keno	—	31
Mohawk P	1½	2½
Mistassini	4	6
Murmac	3	4
Nat New	6	8
N Redwd	10	15
New Aug	5½	7
Newcor	4	6
New Mal	2½	3½
Nickel L	4	6
Nickel O	375	450
Norbeau	65	70
Norbec	7	10
Norcourt	3	4½
Norford	1½	2½
Normar	2	3
Novele P	1	3
Obalski O	3	5
do '45	11	12
Oklend	4	5
Olivet	1	2
Opemiska	†41	45
Orofino	†17	19
Ortona	†4½	5½
Pascalis	9	11
Payne	5	7
Pelangio	2	3
Phelps	1	2
Presdor	1	2
Privateer	10	12
Quejo	4½	6
Quyta	5	7
Que SR	11	13
Quest	1	3
Rainville	22	25
Rand M	7	9
Randona	†3	5
Redruth	3	5
Redwood	4	4½
Rhyolite	5	6
Richgroup	4	6
Rix	*75	80
Russet	3½	5
Salm Co.	40	45
Santiag N	16	20
S Dufalt	4	6
Sepha	2	3
Sheldon	9	11
Silv Arro	4	6
Silv Lake	10	12
Skynner	2	4
Snow L	3	5
Starlight	1½	2½
Sunbear	1½	2½
Tobico	1	2
Vauz Duf	12	14
Vinray	3	5
Viking	14	16
Walcoro	5	7
West RL	2	3
Wildore	*9	10
Y David	16	18
Yelknife	105	—
do vt	100	—
OILS		
Cent Ex	*220	230
Crusader	—	10
Devon	†79	81
Jet	15	17
Lingnora	2½	3½
Major Oil	2½	3½
Nw Ranch	3½	4½
P Oil Ref	45	50
Paige P	—	35
Princess	130	140
Vermillion	20	25
West Loc	8	10

Bond Redemptions

Bond Issues:	Rate	Year	Call	Price
*Un. Secur. Ltd. Coll. Tr. Bds. Ser. A & B	3%	1932	Jul. 9	$100.50

*All outstanding.

Market Comment

What stocks and bonds are doing and what prominent observers say

News highlight this week for Canadian market traders was Ottawa's long-awaited announcement on cost-aid help for the gold mines. First reaction was disappointment and the market eased mildly following the announcement. Reports current for several weeks had indicated fairly substantial boosts were coming.

Although the extra help is much below expectations it will benefit some companies much more than others — particularly those hard-pressed companies which have had a wide variation in operating results in the three years now allowed as base years against which to compute cost-aid. Under the old system the base year was 1949. Now the mines can take any one of 1948, 1949 or 1950. Finance Minister Abbott estimated the assistance paid to the industry under the new setup will work out to around $2.90 an ounce compared with $2.40 in 1950.

On the business front, investors were studying implications of the large-scale employee lay-offs by two auto companies (said arising from slumping car sales and materials shortages) and indicated production slow-downs in several electrical appliance plants. Majority of investors were of the opinion that a relaxation in credit restrictions would be only part of the answer at this time.

* * *

KENNETH B. ANDRAS: Stanton, Hatch & McCarthy (Toronto)

There has been a distinct breathing spell in the bull market for the past two months. During this period the market has been subjected to two separate tests of the 240 level in the Dow Jones averages, with late tape, volume and the usual hysterical dumping of securities. These periods lasted but a short time, as the strong influence of investment buying began almost immediately to make itself apparent.

As one trust company official stated — "Some say that stocks may be high, but we can't do without them."

A satiation of auto and home appliance demand, greatly aggravated by credit restrictions far more drastic than in the United States, is only temporary in the writer's opinion. Furthermore, it does appear probable that there will soon be an easing of the sincerely, though possibly too hastily conceived, credit restrictions in Canada. U. S. Government defense spending is barely getting into its stride. Forty-three billion dollars is estimated as the figure which will have been spent for the year ending this month and twice this is to be spent in the year commencing July 1 next — this figure may be much higher.

Housing, for all the past building completions, is still critically scarce and government encouragement appears to be on the horizon. Inventories, with a few exceptions previously mentioned, have been reduced below the danger point and there is no doubt that consumer spending must remain high with the present high wages and probability of still higher pay.

This breathing spell is a good time to readjust portfolios. The writer is of the opinion that securities in four groups are the most desirable for income and capital gain — steels, papers, base metals and oils. The demand for and scarcity of the products of these groups is world-wide and it should continue as there seems little likelihood of any major lessening in international tensions for some time to come.

* * *

ROGER BELANGER: Belanger Inc. (Montreal)

While the current market outlook is that prices may drop still further in the immediate future, prospects for the long-term are still definitely bullish from an investment point of view. It should be noted, however, that this should no longer be considered an attractive speculative market, but an investment one, for a while anyway.

One of the more important factors bolstering the long-term aspect is that further inflation later in the year seems assured. At the moment, there is softness in some lines as credit restrictions are felt and as firms which bought rather heavily in anticipation of shortages work off high inventories. These inventories, however, should be taken up by August, while the effects of defense spending should be noticed by September.

Corporate earnings should be well maintained this year, despite higher taxes. Dividends should also be at least equal to 1950, although no big increase is expected as many firms may have to dig into surplus to finance expansions and working capital which, before credit restrictions were put into effect, were financed to some extent through bank borrowings.

So far, the market has been holding up fairly well, although volume has been small. Two factors which have lent a certain amount of strength and prevented a sharper fall are the amount of money flowing into Canada from abroad looking for investment opportunities and the widespread shift out of bonds and preferreds into equities.

Reflecting this increasing popularity of common stocks against preferreds and bonds, corporate financing in the future is likely to be marked by an increasing number of convertible bond and preferred share issues.

* * *

MILNER, ROSS (Toronto)

There has been some concern lately over inventory accumulations, as evidenced by price wars in the United States, and credit curbs which have had the effect of reducing sales of automobiles and similar goods. However, it would appear that the present condition of over-supply is temporary, since the rearmament program is only beginning to get under way and unemployment, other than intermediate, is not a prospect. The longer term trend points to higher prices of many basic items and continuing shortages. Under the circumstances, good common stocks serve as a "hedge" against further inflation, as well as a means of obtaining added income.

Dividends Declared

	This payment $	Date payable	Date of record
Abitibi Pwr. new	.25	July 1	June 1
Do. pfd	.37½	July 1	June 1
Acadia-Atlantic	.12½	July 3	June 9
Do. A	.30	July 3	June 9
Aluminum pf.	.25	Sep. 1	Aug. 8
Amal. Elec.	.30	June 30	May 28
Amer. Cyanamid	†1.00	June 28	June 1
Do. A pfd.	†.87½	July 2	June 1
Do. B pfd.	†.87½	July 2	June 1
Anglo Candn. Pulp	.45	July 2	June 15
Anglo-Nfld. Dep.	.15	June 29	May 31
Anglo-Hur. M.	.25	July 26	June 26
Asbestos Corp.	.50+‡.25	June 29	June 12
Ash Temple pfd.	1.50	July 1	June 15
J. H. Ashdown A	.15	July 1	June 10
Do. B	.20	July 1	June 10
Assoc. Tel & Tel. $6 pfd.	†1.50	July 1	June 1
Atlantic W'salers A & B	.10+‡.10	July 3	June 15
Auto. Fabrics A	.15	July 3	June 15
Do. B	.10	July 3	June 15
Bk. of Nova Scotia	.35	Aug. 1	June 30
Barber-Ellis pfd.	1.75	July 14	June 29
Beatty Bros.	.20	July 3	June 15
Beaver Lumber A	.25	July 3	June 10
Do. pfd.	.35	July 3	June 10
Beld. Cort.	1.50	July 3	May 31
Do. pfd.	1.75	July 3	May 31
Belgium Stores	.15	July 1	June 15
Bell Telephone	.50	July 16	June 15
Biltmore	.10	July 14	June 29
Do. A	.25	July 14	June 29
Bralorne M.	.10	July 14	June 26
Brant. Roof. A	.25	Aug. 1	July 14
Do.	.25	Nov. 1	Oct. 15
Brazilian Tr. pfd.	1.50	July 3	June 15
B-A Oil	.25	July 3	June 5
Do. pfd.	.234375	July 3	June 5
B. C. Elec. 4% pf	1.00	July 3 coup. 17-XC	June 29
Do. 4¾% pf.	1.19	July 3 coup. 11-XC	June 29
B. C. Forest	.10	Aug. 1 coup. 10-XC	July 31
B. C. Power "A"	.40	July 16	June 29
B. C. Tel. ord.	2.00	July 1	June 16
Stanley Brock A	.15	Aug. 1	July 10
Do. B	.10	Aug. 1	July 10
Building Prod.	.45	July 3	June 14
Burlington Steel	.25	July 3	June 15
Burns & Co. A & B	.50	July 27	July 9
Do.	.50	Oct. 27	Oct. 9
Butterfly Hose. pfd.	3.50	July 30	June 29
Can. Bread	.10	July 3	June 8
Do. B	.62½	July 3	June 8
Canada Dry	†.20	July 1	June 14
Do. pfd.	†1.06¼	July 1	June 14
Can. Flooring B	.25	June 30	June 15
Can. Iron	.30	July 2	June 15
Can. & Foreign Secs.	.26	Dec. 29	Dec. 15
Can. Life	5.00	July 3	June 15
Can. Machine	.25	June 28	June 8
Can. Nor. Pwr.	.15	July 25	June 20
Can. Perm. Mtge.	.50	July 3	June 15
Can. So. Rlwy.	†1.50	Aug. 1	June 27
Can. Starch pf.	1.75	June 30	June 23
Can. Steamship pfd.	1.25	July 3	May 31
Can. Varnish pf.	.31¼	July 1	June 15
Can. West. Cord. A	.12½	Aug. 1	June 30
Candn. Bk. of Com.	.25	Aug. 1	June 30
Candn. Bronze	.31	Aug. 1	July 10
Do. Pfd.	1.25	Aug. 1	July 10
Candn. Brew.	.25	July 2	May 31
Candn. Canners	.40	July 3	June 11
Do.	.50+‡.47½	Oct. 1	Sept. 10
Can. Cel.	.60	June 30	June 8
Do. $1 pfd.	.25	June 30	June 8
Do. $1.75 pfd.	.43¾	June 30	June 8
Can. Cottons	.70	July 3	June 8
Do. pfd.	.30	July 3	June 8
Can. Dredge	.85	Dec. 14	Nov. 14
Can. Fairbanks pf.	1.50	July 16	June 29
Candn. Fire	.40	July 3	June 20
Can. Food pfd.	1.12½	July 2	May 31
Can. Gen. Elec.	2.00	July 2	June 15
Candn. Gen. Inv.	.25	July 16	June 30
Can. Ice Mach. A	.20	July 2	June 13
Candn. Indemnity	.50	July 3	June 20
Can. Ing.-Rand	1.00	June 28	June 14
Can. Ind. Ltd.	.20	July 31	June 29
Do. pfd.	1.75	July 14	June 19
Can. Motor Lamp	.25	Sep. 15	Aug. 25
Do.	.25	Dec. 15	Nov. 24
Can. Oil Cos. 4% p	1.00	July 3	June 9
Do. 5% p.	1.25	July 3	June 9
Do. 8% pf.	2.00	July 3	June 9
Do. 5% ser. pf.	1.25	July 3	June 9
Can. Pac. Rlwy.	.75	Aug. 1	June 22
Do. pfd.	2%	Aug. 1	June 29
Can. West. Lumber	.10	July 16	June 18
Do.	.10	Oct. 15	Sep. 17
Can. Westinghouse	.50	July 2	June 14
Can. Wirebound A	.37½	July 3	June 9
Carnation pd.	†93¾	July 2	June 15
Cassidy's Ltd.	.20	July 3	June 7
Do. pfd.	1.75	July 3	June 7
Celanese Corp.	†.75	June 23	June 5
Do. pfd. 7%	†1.75	July 1	June 5
Do. 4½% pfd. A	*†.82½▲	July 1	June 5
Cent. Can. Loan	1.50	July 3	June 19
Chartered Trust	.25	July 2	June 15
Cobalt Lode	.03	Oct. 15	Sep. 29
Cockshutt Plow	.40	Sep. 1	Aug. 1
Com'wealth Int.	.04	July 16	June 30
Confederation Life	2.00	June 15	June 10
Do.	2.00	Sep. 15	Sep. 10
Do.	2.00	Dec. 15	Dec. 10
Cons. Div. Stand. pf.	.75	June 30	May 31
Cons. Mining	1.50+‡3.50	July 16	June 18
Cons. Litho. New	.25	June 29	May 28
Cons. Paper	.75	July 17	June 5
Cons. Press "A"	.16¼	July 3	June 15
Consumers Gas	2.00	July 3	June 15
Continental Life	1.20	July 16	July 13
R. L. Crain	.15	June 30	June 15
Crown Trust	1.25	July 3	June 20
David & Fr. A	.25+‡.25	June 30	June 15
Davies Pet.	.01	June 29	June 11
Deb. & Secs. pfd.	2.50	July 3	Mar. 7
Disher Steel	.50	July 3	June 18
Do. pfd.	.37½	Aug. 1	July 16
Dome M.	.17½	July 30	June 30
Dom. & Anglo Inv. p	.15	July 1	June 15
Dom. Bank	.25	Aug. 1	June 30
Dom. Corset	.20	July 1	June 14
Dom. Dairies pfd.	.44	July 14	June 30
Dom. Fdries	.50	July 3	June 11
Do. pfd.	1.12½	July 16	June 25
Dom. Glass	.40	July 16	June 28
Do. ptd.	.35	July 16	June 28
Dom. Malting	.25	Aug. 1	July 6
Do. pfd.	1.25	Aug. 1	July 6
Dom. Oilcloth	.40	July 31	July 4
Dom. Square	1.00	July 16	June 16
Dom. Stores	.12½	Sep. 15	Aug. 17
Dom. Tar & Chem.	.37½	Aug. 1	July 3
Do.	.37½	Nov. 1	Oct. 1
Do. pfd.	.25	July 3	June 1
Do.	.25	Oct. 1	Sept. 1
Dom. Textile	.15	July 3	June 5
Do. pfd.	1.75	July 16	June 15
Dryden Pap.	.40	Aug. 1	June 30
Dunlop Tire Pf.	.62½	June 30	June 14
Dupuis Freres pfd.	.30	Aug. 15	July 31
Easy Washing	.05+‡.05	July 3	June 15
Empire Life	.60	June 30	June 1
Enamel & Heat.	.35	July 31	June 30
Erie Floor A	.30	June 30	June 15
T. H. Estabrooks pf.	.26	July 15	June 15
Famous Players	.30	June 23	June 8
Fanny Farmer	†.37½	June 30	June 15
Federal Fire	1.00	Aug. 15	Aug. 10
Fibre Prod.	.20	June 22	June 1
Do. pfd.	.25	June 30	June 15
Fittings Ltd. A	.30	July 1	June 6
Flash Fast. pf.	.25	July 14	July 7
Foundation new	.12½	July 20	June 29
Fraser Cos.	.50	July 30	June 29
Do. pfd.	1.19	July 1	June 8
Gatineau Pwr.	.30	July 1	June 1
Do. 5% pfd.	1.25	July 1	June 1
Do. 5½% pfd.	1.38	July 1	June 1
Gen. Pet. Ord. & A	.10	July 5	June 15
Gen. Steel Wares	.25	Aug. 15	July 17
Do. pfd.	1.25	Aug. 1	July 3
Goderich Elev.	.50	July 3	June 15
Golden Manitou	.05	July 3	June 12
Goodyear Tire	1.00	June 30	June 11
Grafton & Co. A	.25	Sep. 15	Aug. 25
Do.	.25	Dec. 15	Nov. 26
Grand & Toy	.15	June 30	June 20
Gt. Lakes Pap.	.75	June 30	June 11
Do. A	.62½	June 30	June 11
Do. B	.30	June 30	June 11
Gt. Lakes Pwr. pf.	.31¼	June 30	June 9
Gt. West Felt pf.	.12½	July 1	June 15
Gt. West Life	5.00	July 3	June 20
Greening Wire	.05	July 3	June 15
Gypsum Lime	.40	Sep. 1	Aug. 1
Do.	.40	Dec. 1	Nov. 1
Hann Brass	.15	July 2	June 6
Do. A	.20	July 2	June 6
Ham. Bridge	.12½+‡.12½	July 2	June 15
Hamilton Cot. pfd.	1.25	Aug. 15	Aug. 3
Harding Carp.	.20	July 3	June 15
Hart Battery	.15	July 12	June 14
Highland-Bell	.05	July 5	June 16
Hinde & Dauch	.35	June 29	June 1
Hollinger Cons.	.06	June 29	June 1
F. W. Horner A	.12½	July 2	June 1
Howard Smith Pap.	.75	July 30	June 29
Do. pf.	.50	July 30	June 29
Hubbard Felt "A"	.75	July 1	June 8
Hunts Ltd. A & B	.20	July 3	June 15
Huron & Erie Mtge.	1.30	July 3	June 15
Do. 20% pd.	.30	July 3	June 15
Hydro-Elec. Secs. B	.25	Aug. 1	June 29
Do. com.	.25	Aug. 1	June 29
Imp. Bank	.30	Aug. 1	June 30
Imp. Life	.37½	July 3	June 20
Imp. Tobacco	.12½	June 30	May 16

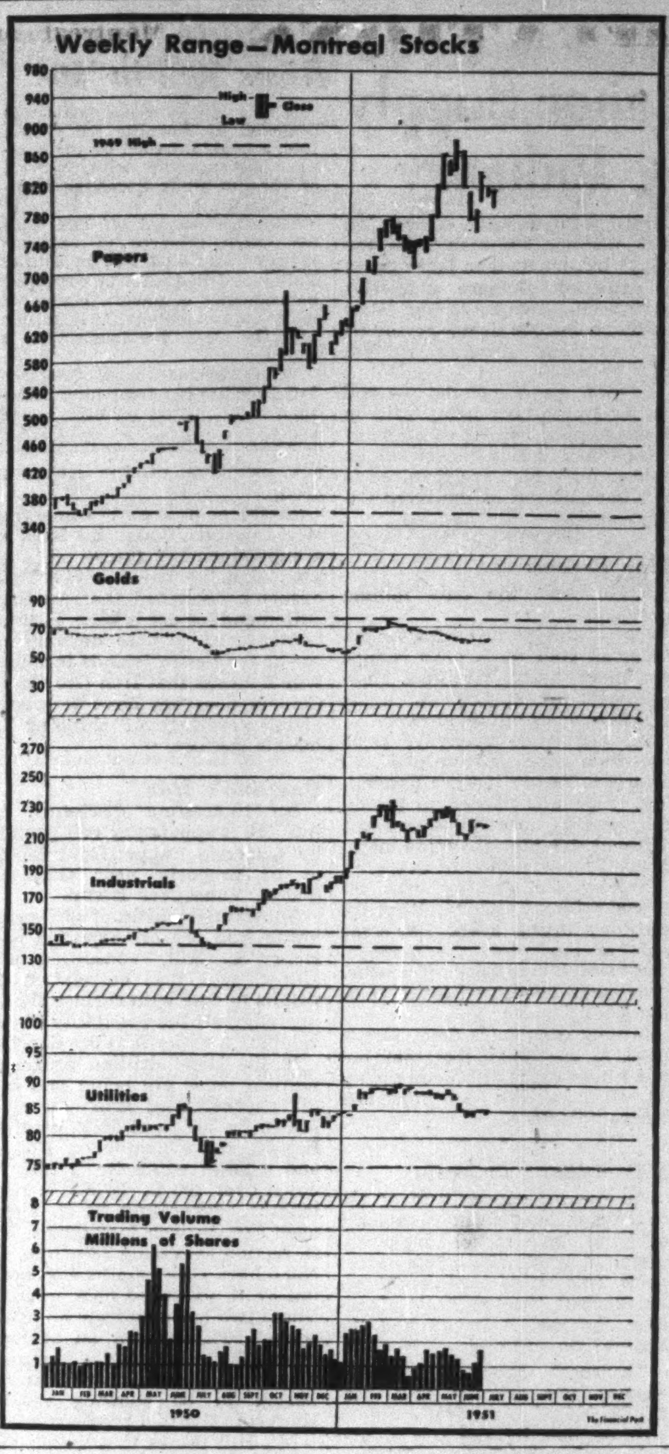
Dividends Declared (cont'd)

	This payment $	Date payable	Date of record
Ind. Accept.	.50	June 30	May 31
Do. 5% pf.	1.25	June 30	May 31
Do. 4¼% pf.	1.06¼	June 30	May 31
Do. $25 par pf.	.31¼	June 30	May 31
Do. $32 par pf.	.40	June 30	May 31
Ingersoll Mach. A	.12½	July 3	June 15
Do. pfd.	1.00	July 3	June 15
John Inglis	.10	July 2	June 15
Inter-City Bak.	.20	June 30	June 14
Intercolonial Coal	1.00	July 30	June 20
Do. pfd.	4.00	July 30	June 20
Int. Bronze	.30	July 14	June 13
Do. pfd.	.37½	July 14	June 13
Int. Holdings	.75	Aug. 15	July 16
Int. Metal A	.65	July 3	June 8
Do.	1.12½	July 3	June 8
Int. Nickel pf.	†1.75	Aug. 1	July 3
Int. Power	.60	July 16	June 15
Int. Paper	†.75	June 25	May 25
Do pfd.	†1.00	June 25	May 25
Int. Utilities	†.30	Sep. 1	Aug. 10
Invest. Found.	.50	Oct. 15	Sep. 15
Do. pfd.	.75	July 16	June 15
Do.	.75	Oct. 15	Sep. 15
Int. Pet.	†.25	June 19	Coup. 76-xc-18
Jam. Pub. Ser.	.25	July 3	May 31
Do. pfd.	1.75	July 3	May 31
Jenkins Bros.	.25	June 29	June 15
Journal	.20	July 14	June 29
Kerr-Addison	.20	June 28	May 31
John Labatt	.25	July 3	June 15
Lake Dufault	.02½	June 22	June 6
Lake Shore	.10	July 16	June 15
Alf. Lambert A	.15	June 30	June 20
Do.	.15	Sep. 29	Sep. 19
Do	.15	Dec. 31	Dec. 20
Do. B	.15	June 30	June 20
Do.	.15	Sep. 29	Sep. 19
Do.	.15	Dec. 31	Dec. 20
J. A. Lang	.25	July 3	June 12
LaPrairie Co. pf.	1.50+■36.00	Jul 3	Jun. 15
Laurentide Accep. A	.12½	July 31	July 16
Do. B	.05	July 31	July 16
Do. pfd.	.25	July 31	July 16
Lewis Bros.	.30	July 31	June 30
London Hose. A	.20	July 2	June 21
Lower St. Law. pf.	.25	July 1	June 1
M. Loew's	1.00	June 29	June 15
Wm. Lowney	.25	July 16	June 15
H. R. MacMillan A & B	.12½	June 30	June 9
Madsen Red Lake	.05	June 22	May 22
Mailman pfd.	1.25	July 31	July 13
Maple Leaf Gard.	.25	July 16	July 3
Maritime Tel.	.20	July 14	June 20
Do. pfd.	.17½	July 14	June 20
L. McBrine pfd.	.50	July 1	June 13
McColl-Front. pfd.	1.00	July 20	June 30
Mersey Pap. pf.	1.12½	July 3	June 16
Melchers Dist. pf.	.30	June 30	May 31
Milton Brick	.07½	June 28	June 8
Mining Corp.	.30	June 30	May 31
J. S. Mitchell	1.25	July 3	June 15
Robt. Mitchell	.50	Dec. 15	Nov. 15
Model Oils	.02	July 2	June 4
Modern Cont. A	.25	July 3	June 20
Monarch Knit.	.25	July 2	May 28
Do. pfd.	1.12½	July 2	May 28
Monarch Life	6%	July 3	June 15
Monarch Mtge.	1.00	June 30	June 20
Mtl. Dist. Bank	.35	July 3	June 1
Mtl. Locomotive	.20	July 3	June 5
Do. 4% pf.	.25	July 3	June 7
Mtl. Refrig.	.75	June 30	June 14
Mtl. Telegraph	.50	July 16	June 15
Moore Corp.	†.22½	July 3	June 7
Do. A & B pf.	†1.75	July 3	June 7
Morrow Screw pf.	1.00	July 2	June 15
Mt. Royal Metal	.10	July 3	June 15
Murphy Paint	.20	June 29	June 15
Nat. Biscuit	†.50	July 13	June 5
Nat. Brew. pfd.	.44	July 3	June 6
Nat. Grocers	.15+‡.40	July 2	June 14
Do. pfd.	.37½	July 2	June 14
Nat. Hosiery A	.15	July 1	June 1
Do. A	.15	Oct. 1	Sep. 1
Do. A	.15	Jan. 1/52	Dec. 2
Do. B	.50	July 3	June 1
Nat. Steel Car	.37½	July 14	June 15
Nat. Trust	.25	July 3	June 15
Niagara W.W.	.40	July 3	June 14
Nor-Acme M.	.02	July 16	June 20
Normetal	.10+‡.10	June 29	May 31
N. W. Brew.	.15	June 30	June 15
Nor. Can. Mtge. pf.	.50	July 1	June 15
Nova Scotia Lt.	.25	July 3	June 9
Ontario Loan	1.25	July 3	June 15
Ont. Steel	1.00	Aug. 15	July 16
Do. pfd.	1.75	Aug. 15	July 16
Page-Hersey	.55	July 2	June 15
Paramount Pic.	†.50	June 30	June 22
People's Cr. Secs.	.25	July 16	June 30
Pickle Crow	.10	June 30	May 31
Powell Rouyn	.03	July 20	July 5
Power Corp.	.35	June 30	June 6
Do. 1st pf.	1.50	July 16	June 20
Do. 2nd pf.	.75	July 16	June 20
Premier Trust	1.00	June 30	June 19
Pressed Metals	§stk div.	July 16	June 1
Preston E. Dome	.04	July 14	June 15
Price Bros.	.75	Aug. 1	July 16
Do. Pfd.	2.00	July 1	June 19
Purity Flour pf.	.87½	Aug. 1	July 6
Que. Manitou	.02	July 3	June 2
Que. Tel. pf.	.25	July 1	June 1
R. & M. Bearings A	.27	Oct. 1	Sept. 15
Regent Knit pfd.	.40	Sept. 1	Aug. 15
Do.	.40	Dec. 1	Nov. 15
Remington Rand	.25	July 2	June 8

Dividends Declared (cont'd)

	This payment $	Date payable	Date of record
Do. pfd.	1.12½	July 2	June 8
Renfrew Text A	.15	July 1	June 12
Renold-Covn. A	.28	July 2	June 15
Do.	.27	Oct. 1	Sept. 15
Riverside Silk A	.50	July 1	June 15
P. L. Robertson	.50	July 2	June 20
Robinson Little	.20	June 30	June 15
Russell Ind.	.25	June 30	June 15
Saguenay Pwr. pf.	1.07	July 1	June 8
Do.	1.08	Oct. 1	Sep. 7
St. Law. Corp. 1st pfd.	.50	July 23	July 3
Do. 2nd pfd.	.18¾	July 25	July 3
St. Law. Pap. 1st pf.	1.50	July 25	July 3
Do. 2nd pfd.	.60	July 25	July 3
Sangamo	.25	June 27	June 25
Scarfe & Co. A	.20	Aug. 1	July 16
Do. B	.10	Aug. 1	July 16
Shaw. W. & P. A	.50	July 2	June 2
Do. B	.56¼	July 2	June 2
Sheep Creek	.02+‡.01	July 16	June 30
Sher. Williams	.25	Aug. 1	July 10
Do. Pfd.	1.75	July 3	June 8
Sicks Brew. com. & V.T.	.30	June 30	May 23
Sigma M.	.25	July 28	June 28
Silverwood Dair. A	.15	July 3	May 31
Do. B	.10	July 3	May 31
Silverwood West. pf.	1.25	July 3	May 31
Southam Co.	.25	June 28	June 13
So. Can. Pwr.	.40	Aug. 15	July 20
Do. pfd.	1.50	July 16	June 20
Stand. Radio A	.10	July 10	June 20
Stedman Bros.	.20	July 3	June 15
Steel Co.	.20	Aug. 1	July 6
Do. Pfd.	.20	Aug. 1	July 6
Sterling Trusts	.30	July 3	June 8
D. A. Stuart pf.	.60	June 27	June 13
Sun Life	.75	July 1	June 15
Super Service St. pf.	.31¼	June 30	June 9
Supertest c & ord.	2.00	July 15	June 18
Do. pfd.	1.25	July 15	June 18
Sylvanite G.	.04+‡.04	July 3	May 31
G. Tamblyn	.25+▲.05	July 3	June 8
Do. pfd.	.50	July 3	June 8
Taylor Pear. & Car.	.20	July 3	June 15
Thrift Stores	.20	July 3	June 15
Tip Top Tailors	.15	July 3	June 1
Tooke Bros.	.10	July 3	June 15
Tor. Gen. Trusts	.35	July 3	June 8
Toronto Iron	.20	July 3	June 15
Do. A	.20	July 3	June 15
Tor. Mtge.	1.25+‡.25	July 3	June 18
Traders Fin. A & B	.50	July 3	June 15
Do. pfd.	1.12½	July 3	June 15
Trans. Emp. Oil	*.05	July 3	June 15
Tuckett Tob. pf.	1.75	July 14	June 29
Twin City	†.40	July 1	June 23
Do. pfd.	†.62½	July 1	June 23
Union Accept. pf.	.15	July 1	June 15
Union Gas	.25	Aug. 1	July 6
United Amuse.	.25	June 15	May 31
United Fuel A	.75	July 3	June 8
United Steel	.17½	June 29	June 8
Ventures	.15	July 19	June 28
Verney Corp. pf.	.56	July 1	June 15
Viau Ltd.	.50	July 2	June 20
Wabasso Cot.	.25	July 3	June 7
H. Walkers	.75	July 16	June 26
Waterloo Mfg. pf.	.22½	June 30	June 30
Waterous Ltd.	.10	July 16	June 29
Watson Jack	.20	July 3	June 15
Wellington Fire	1.75	Aug. 15	Aug. 10
West Koot. pf.	1.75	July 3	June 19
West. Assur. pfd.	1.20	July 3	June 28
West. Grocers A	.50	July 15	June 15
Do. pf.	.35	July 15	June 15
Wesley Mason pf.	1.37½	Aug. 1	July 16
Geo. Weston	.25	July 3	June 8
Winnipeg Elec.	.60	July 16	June 5
Do. pfd.	2.50	June 30	May 18
Wilsil Ltd.	.30	July 3	June 1
Wood, Alex. Ltd.	.15	July 16	June 29
Do. 6% pf.	1.50	July 3	June 15
Woods Mfg.	.25	June 29	June 1
Wool Combing	.40	July 10	June 25
Wright-Hargreaves	.03	July 3	May 29
York Knit. A	.20	June 30	June 15

†American funds. *Initial. ‡Extra.
▲Bonus.
§Stk. div. of 1 sh. for ea. 10 shs. held.
■On arrears.



New Highs & Lows

During the week ended June 15, 16 new highs were recorded on Canadian stock exchanges and 30 new lows. In the mining group there were 4 new highs and 47 new lows. In the western oil group there were 3 new highs and 11 new lows.

GENERAL

New Highs—1951

B-A Oil
Do. pfd.
Caldwell Linen 2nd pfd.
Can. Fdries. & F. A
Cochrane-Dunlop
Hendershot Pa. pf.
Invest. Found. pfd.
Alf. Lambert A
Do. B
Man. Sugar pfd.
Mexican Light pfd.
Morrison Brass
Ont. Beauty Sup. pfd.
St. Law. Pa. 1st pf.
Stand. Chemical
D. A. Stuart pfd.

New Lows—1951

Anglo-Can. Tel. pf.
Can. Safeway pfd.
Cdn. Converters A
Dom. Electro.
Dom. Scot. Inv. pf.
Fittings A
For. Pwr. Secs. pf.
Ford Motor A
Hydro-Elec. Sec.
Imperial Bank
Lake of the Woods
J. A. Lang
Laura Secord
Lawson & Jones A
Do. B
Loblaw A
Mailman Corp.
Moore Corp.
Morgan 5% pfd.
Prov. Transport
Quinte Milk A
St. Law. Flour
Shaw. Pr. 4½% pf.
Shea's Brew. A
Simpsons pfd.
Supertest rights
Trad. Finance A
Waterous Ltd.
Zellers 5% pfd.

MINING

New Highs—1951

Broulan
Kenville
Kootenay Base
New Pacific Coal

New Lows—1951

Acadia Uran.
Amalg. Larder
Arjon
Ascot Metals
Bouzan
Buffalo Cdn.
Can. Malartic
Centremaque
Cons. Nicholson
Elder
Federal
Geneva Lake
Harrison-Hibbert
Jaculet
Joliet Que.
Ladulama
Mackeno
Marbenor
Marcus Gold
Montpas
Newlund
New Santiago
Nipissing
Nisto
Nocano
Osisko
Penn-Cobalt
Pickle Crow
Porc. Prime.
Powell Rouyn
Do. V.T.
Purdy Mica
Roy Silver
Royran Gold
Silver Ridge
Sherritt G. rts.
Taylor Bridge
Toburn
Towagmac
United Asbestos
Wellington
West Malartic
Westville
Windward
Wingait
Yukeno

OILS

New Highs—1951

Calvan Cons.
Commoil
Gaspe

New Lows—1951

Calnorth
Central Leduc
Del Rio
East Crest
Emjay
Jumping Pound
Redwater Lease.
Roxana
Select. Oils
South Brazeau
Warner

Commodities

	Latest week	Previous week	Same week last yr.
Cattle	$33.50	$33.25	$27.50
Hogs	36.60	35.35	30.85
Copper, lb.	.24½	.24½	.22½
Sugar, raw, lb.	.0610	.06	.0525
Coffee, lb.	.52⅞	.53	.46
Hides	.36	.36	.25½
Weekly Indices			
U. S. Labor	181.9	182.4	157.6
Dow Jones	189.54	192.12	149.94
Fisher's	188.5	188.8	165.9
Monthly Indices			
Retail (May)†	182.0	181.3	164.0
W'sale (Apr.)	242.2	241.8	202.5
U. S. (Mar.)	184.0	183.6	152.6
Gt. Brit. (Mar.)	313.5	305.6	245.3

Note: The base of indices is that 1926 equals 100. †Base 1935-39 equals 100. The British index is Board of Trade converted to 1930 base.

Base price of quotations is as follows: Cattle — Steers, good, up to 1,000 lb. top price, Toronto. Copper-electrolyte, New York. Coffee No. 4 Santos. Spot Raw Sugar 96 degrees centrifugal c.i.f. New York.

Municipal Bonds

June 19, 1951

	Coup. %	Matur.	Bid $	Ask $	Yld. %
Victoria	3¾	'69	92	94	4.24
Vancouver	3¾	'69	92½	94½	4.19
Calgary	3½	'69	91	93½	4.00
Edmonton	3½	'69	88½	90½	4.25
Regina	3	'64	88	90	3.95
Moose Jaw	3-3½	'60	93	95	3.61
Winnipeg	3	'69	86½	88¾	3.85
Ottawa	3¼	'68	94	96	3.60
Toronto	3	'68	89¼	91¼	3.70
Hamilton	3	'67	87½	89½	3.90
Hamilton	3	'67	87½	89½	3.90
Windsor	2½	'75	71½	73½	4.25
Windsor	2¾	'75	75¼	77¼	4.25
Windsor	3½	'75	86¾	88¾	4.25
Montreal	3	'70	88	90	3.75
Quebec	3½	'64	92¾	94¾	4.00
Halifax	3½	'66	88½	90½	4.35
Saint John	3½	'65	89	91	4.35

Stock Redemptions

Company:	Rate	Date	Price
▲Robinson Cotton Mills, non-cum. pfd.	3%	Jul. 3	$5.00

▲5% of outstanding shares.

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MINING INVESTMENTS

Fear Shorter Labor Supply For the Mining Industry

A tug-of-war on the labor front may wind up with the mines finding themselves in a more critical labor supply situation.

Through the auspices of the Canadian Metal Mining Association and co-operating departments at Ottawa, the mining industry has made arrangements for 2,000 men to come to Canada as miners. About 200 of these have reached this country already. But competition for available labor from top priority jobs, and higher pay rates offered, appear likely to result in further deterioration of the labor supply at the average mine despite the expected 2,000 newcomers.

Gold mines will likely be the hardest hit, barring some new arrangements to provide them with additional labor.

One of the projects which is directly and indirectly affecting the mine labor situation is the Aluminum Co. of Canada project in British Columbia which apparently needs about 5,000 men. The hydro power development at Niagara is another competitor for mining labor. The Toronto Transportation Commission subway job took perhaps 300 men from the mines but no further labor drain is expected. Defense industries have been active recruiting labor with one Quebec firm carrying on a "recruiting" program in Val d'Or recently.

Higher wages offered — and higher wages now being paid in nickel-copper mining at Sudbury —tend to increase the strain on gold mines which are required to sell their output at the fixed Ottawa price.

* * *

Pipe Dreams

Labor isn't the only mining problem.

One of the big problems for developing gold these days is pipe for underground workings. Managements are staying up nights trying to work out an answer.

At one mine recently, some four-inch pipe was needed. All efforts to secure it were unavailing. Pipe was needed to permit the opening up of another level. Without this pipe the mine might as well have been shut down.

Finally the question was resolved without either getting the pipe or shutting down! Not being able to buy pipe, the management simply took pipe off another previously developed level to do the job.

Mining companies don't like to have to do things like that but mine managers have demonstrated their ability to improvise where necessary.

* * *

$50 Millions Program

An overall expenditure of $50 millions is involved in the placing of Lynn Lake nickel-copper deposits in production, Ottawa reports. This embraces expenditures by Sherritt Gordon itself, Canadian National Railways and the Federal Government.

Transport Minister Chevrier reports the railway will cost $14,725,000 of which $10 millions will be met by the C.N.R. and balance by the Defense Production Department.

Employment at the mining operation and concentrator at Lynn Lake is expected to reach 500, while the modern townsite at Lynn Lake will be capable of housing 2,500. The refinery at Edmonton will employ approximately 100 for the recovery of refined metals and production of fertilizer.

J. R. McMillan, vice-president of the Canadian National Railways, has called Lynn Lake railway tenders for "the clearing, grading, etc., installation of bridges and culverts, and erection of a temporary telephone line, on the first section only, a distance of approximately 56 miles northerly from Sherridon."

Length of the overall line is reported at approximately 155 miles.

* * *

Bethlehem Breaks Ice

The action of Bethlehem Steel Corp. in making arrangements for purchase of 30 million tons of iron ore from Labrador-Quebec deposits, is seen as "breaking ice" for other companies which were not members of the financing group.

"Bethlehem beat competing steel interests in assuring itself of a supplementary future ore supply . . ." is the way one New York despatch described the situation.

Demand for ore is keen. Bethlehem agreed to take delivery of ore at the Seven Islands terminal which means that Iron Ore Co. of Canada does not have to worry about provision of shipping to handle the ore.

* * *

Quatsino's Iron

An interesting disclosure of iron ore is apparently being made by Quatsino Copper-Gold Mines at its property near Quatsino Sound, Vancouver Island.

Substantial widths of 50% magnetite iron ore are reported and Henry L. Hill, consulting engineer, says that correlation of results to date with surface showings suggests the possibility of developing a major iron ore deposit.

In the latest drilling program, vertical holes are being laid out to "checkerboard grid" an area 250 ft. by 300 ft. at 50-ft. centres. Results are available on Nos. 5 and 6 holes while No. 7 hole is down over 100 ft. In No. 5, core lengths aggregating 82 ft. averaged 57% in iron including a 40-ft. section averaging 58% iron. In No. 6 hole, core lengths aggregating 87 ft. averaged 53% in iron. These two holes indicate an average of 58% iron for an average aggregate width of 84¼ ft. across the zone. The No. 7 hole is reported to be showing results similar to the two previous holes.

Mr. Hill thinks that within another month sufficient reliable data should be available to accurately estimate ore reserves.

* * *

Temiskaming Winds Up

The final chapter of one of the more dramatic episodes in Canadian silver mining history was heralded last week when shareholders of Temiskaming Mining Co. aproved a deal to sell dormant coal property interests in return for discharge of indebtedness to McIntyre Porcupine and gave consent to dissolution of the company.

Winding up may take a little time, as many of the company's shares were probably held in old estates. Recipients of the final distribution will have to be determined. Bulk of assets are in the form of marketable securities ("blue chips") and conversion of assets to cash is expected to be a simple matter.

Break-up value is believed to be in the neighbourhood of 13.8 cents a share, from the company's published report, but from this must be deducted winding up expenses and the fee of the liquidator, the Crown Trust Co.

Royalite Reserve Rises 50% in '50

A 50% rise in oil reserves was achieved by Royalite Oil Co. in 1950, a booklet issued by the company in connection with the visit of Toronto Stock Exchange members shows.

"Royalite started off 1951 with net crude reserves of approximately 33 million bbl. in Turner Valley and Redwater as computed by company engineers, compared with approximately 21.8 million bbl. the year previously," it is stated.

With 2,869,948 shares outstanding, Royalite has something better than 10 bbl. of oil for each issued share.

Soviet Seen Behind The West In Most Strategic Minerals

Soviet Russia and her satellites have a strong mineral economy but are far behind the Western Hemisphere in most key items.

That's the conclusion of the Engineering & Mining Journal (June, 1951, issue) following a tabulation of U. S. Bureau of Mines and other data.

The break-down of the mineral supply situation, as outlined by E. & M. J. is as follows:

Mineral Positions of Various Areas
(As Percentages of World Total)

	Western Hemisphere	Australia, etc.	Western European Fringe & Southern Africa	Middle Western Europe, etc.	Near East	Far East	Soviet Sphere
Antimony	50	2	13	9		1	25
Asbestos	60		15	4		1	20
Bauxite	60		6	8		8	18
Beryl	55	2	10			3	30
Chromite	5	3	34	24		14	20
Cobalt	10	3	80	4			?
Columbite (h.g.)			99				?
Colum-Tanta			90	5			?
Copper	62	1	20	6		2	9
Diamonds	5		95				
Fluorspar	50	2	20	13		3	?
Iron Ore	45		10	20		5	20
Lead	50	18	10	13		1	8
Manganese	9		21	7	3	15	45
Mercury	16		32	40		5	?
Molybdenum	88			2			10
Nickel	80	3					17
Petroleum	66		1	1	16	2	14
Phosphates	40	3	1	25		1	30
Potash	25		5	40			30
Steel	47	1	11	20		3	18
Tantalite (h.g.)	75						?
Tin	20	1	15			58	6
Tungsten	21	5	22	3		12	37
Vanadium	78		13	?		?	?
Zinc	56	11	6	14		1	12

Que. Gold Yield Less This Year

Recent indications that Canadian gold production is tending to decline after a postwar recovery extending over several years appears to be further borne out by 1951 experience of the Province of Quebec.

Gold output of Quebec for the first three months of 1951 amounted to 261,011 oz. which was about 15,000 oz. lower than the 276,980 oz. of the corresponding period of 1950.

Decreased activity in gold mines was probably chiefly responsible for the decline but decreased by-product output of gold was also a factor at some base-metal mines. Copper production also declined to 37,603,074 lb. from 39,610,532 lb. but there was an increase in zinc output from 34,069,142 to 38,522,824 lb.

Gold production by individual mines for the first quarter of 1951 is reported by the Quebec Department of Mines as follows:

	Tons milled	—Gold Output— Ounces	Value
Anglo-Rouyn	14,294	3,296	$121,055
Barnat Mines	55,752	7,030	258,198
Belleterre	32,059	9,656	354,646
Bevcourt	17,909	2,728	100,194
Can. Malartic	114,424	10,319	378,996
Cons. Beattie	155,400	13,258	486,940
Donalda	15,594	2,437	89,506
East Malartic	112,129	14,419	529,581
Elder Mines	36,055	5,661	207,917
Lamaque	135,869	28,696	1,053,947
Mal. G. Fields	147,910	23,331	856,901
O'Brien	17,794	6,851	251,624
Perron	10,773	1,240	45,543
Powell Rouyn	44,915	4,665	171,336
Quesabe	12,436	3,055	112,204
Senator Rouyn	34,425	3,775	138,648
Sigma	102,379	19,917	731,512
Stadacona	34,859	6,234	228,962
Sullivan	44,878	10,863	398,976
Anacon	50,625	1,042	38,271
Ascot Metals	29,597	859	31,549
East Sullivan	222,676	3,083	113,232
Golden Man.	89,055	3,003	110,294
Harrison Drill.	13,239	1,943	71,326
New Calumet	66,583	1,141	41,907
Noranda	338,564	47,724	1,752,807
Normetal	89,915	1,146	42,090
Quemont	180,804	21,566	792,076
Waite Amulet	105,968	2,074	76,174

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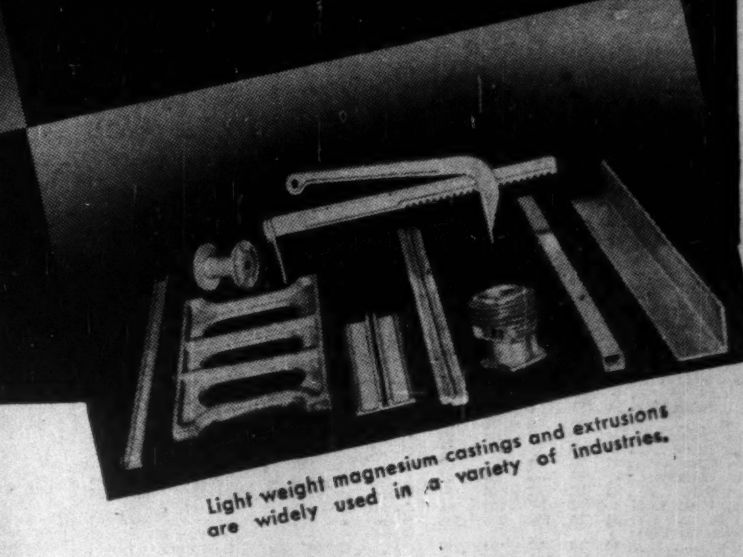

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See 1951 Cost-Aid of $2.90 an Ounce Base Year Change to Help Many Mines

An extra return of about 20c an ounce on all subsidized gold production is anticipated through amendment of the Emergency Gold Mining Assistance Act to make 1950 and 1948 alternative base years with 1949.

Ottawa expects the amendment to cost $700,000 in 1951. Of 3,874,523 oz. of gold produced by gold and placer mines in 1950, 3,533,529 oz. represented eligible ounces for cost aid, suggesting the 20c extra figure for 1951.

Altogether, EGMAA cost-aid for 1951 is expected to amount to approximately $11.2 millions against 1950's $9.2 millions. Finance Minister Abbott estimated the act, as amended, will give eligible gold mines (mines with costs over $22 an ounce), an average return of about $2.90 an ounce this year against $2.40 last year, assuming same production in 1950 and 1951.

There is no change in the earlier proposed rate of assistance — one-half of the amount by which average cost of production exceeds $22 an oz. with a maximum rate of assistance of $11.50. The rate of assistance applies to the number of ounces of gold by which the number of ounces produced and sold exceeds one-half the number of ounces produced in the base year.

Since the stock market had previously taken into consideration any additional aid provided in the bill as brought down at first, the change in effect of the base year provision is the only important new element for individual mines, it appears.

Only Dozen Miss Out

A survey shows that only about a dozen out of some 80 gold producers will not receive at least a few extra dollars from the changed base year provision.

The granting of 1948 as an optional base year will likely mean a considerable expansion of the number of ounces eligible for subsidy payments for mines which achieved a substantially greater output in 1949.

Companies which increased their productions very substantially in 1949 were as follows:

	—Oz. Gold Produced— 1948	1949	1950	1950 Cost per oz.
Campbell ..	.....	23,403	58,733	$30.99
Donalda ...	2,553	12,886	14,440	*
E. Malartic	38,965	53,138	68,095	38.83
Giant Yk. .	35,689	59,766	105,290	29.88
H. Sound .	.....	37,672	75,188	45.25
Lamaque ..	71,797	103,368	111,482	26.29
Madsen	35,228	61,111	65,450	25.37
Malartic G.F.	60,215	91,031	105,546	32.05
New Dickenson	.....	8,061	20,787	49.62
N. Jason ..	.....	6,298	12,966	*
Pamour ...	37,902	56,857	58,212	35.00
Pioneer	23,415	32,039	26,893	32.18
Quesabe ...	.....	4,147	8,661	*
Starratt ...	4,230	22,381	31,580	35.03

*Cost—over $50 an ounce.

This only includes recipients of cost-aid. Some companies, such as Kerr-Addison, Porcupine Reef, Hallnor, Buffalo Ankerite and Rycon received no cost-aid in 1950 and will apparently not receive cost-aid in 1951 unless their costs increase.

The granting of 1950 as an optional year to 1949 will be of assistance to a number of companies which are on the downgrade and were not able to maintain their output last year. Central Patricia is an example. A number of companies in this category have been experiencing diminishing returns in their search for ore and extra cost-aid dollars may not be enough to keep them going.

Finance Minister Abbott indicated that payments to be received by the gold mines under cost-aid would prove of more assistance to the segment of the industry which needed help than would be provided by any free access to premium markets.

"Frankly," he declared, "the Government feels that the possible benefits to be obtained at the present time by exporting gold at premium prices have been exaggerated.

"As a result of the changes now proposed, mines with a cost of production in excess of $45 an ounce would receive $11.50 in assistance per eligible ounce, or $5.75 for each ounce produced in 1951.

"These mines know where they stand under the act; a fluctuating return from premium sales would place them in a much more difficult position in planning their future operations."

Rodney Adamson (PC, York West) called for establishment of a free market. "In 1950," he pointed out, "the industry made a net profit of $55 millions. In 1947 this had been cut to $6 millions after taxes, and half of this came from investment income. In 1950 without investment income, the industry made no profit and today is operating at a loss."

There has been no indication on the part of the Government that any "free market" is pending, rather the contrary.

B. A. Oil Plans To Split Shares On 2-for-1 Basis

Sub-division of common shares of British-American Oil Co. on the basis of two new shares for each share presently held will be considered by shareholders on June 29.

To permit this sub-division, directors seek authorization to increase the capital of the company to 12 million common shares.

Directors have approved calling for redemption the outstanding preferred shares which are convertible into common shares. It is anticipated most preferred shareholders will take advantage of their right to convert.

In a letter dated June 15, forwarded to shareholders, W. K. Whiteford, president, states that directors are of the opinion that it is in the interests of the company to have the widest possible participation in the ownership of its common shares and that the lower market price, resulting from subdivision of the shares, will assist in achieving this objective.

Air Magnetometer Leads to Quebec Base Metal Find

A discovery of lead and silver has been made in Northern Quebec southeast of the Normetal mine as a direct result of an airborne magnetometer survey completed by Geological Survey of the Federal Government.

The showing is located in Guyenne twp., and the discovery group comprises 16 claims, representing the south parts of lots 31 to 38 inclusive and the northern halves of 31 to 38 inclusive.

Following publication of the preliminary result of certain airborne work, J. C. Honsberger staked the strong anomaly last December while snow was on the ground. A discovery was made during the course of staking and showings have been extended by more recent work. The property is privately owned by J. C. Honsberger and Norman Vincent of Toronto.

Surface work has been carried on in six widely separate locations in an area 300 ft. north-south by 500 ft. east-west. The whole area, where exposed by trenching or where bed rock can be seen is cut by a network of quartz and quartz carbonate stringers. Silver-bearing galena occurs in the quartz stringers in some places in spectacular amounts, it is stated, but the mineral occurs most erratically. One sample ran 3.7 oz. silver and 2% lead.

Diamond drilling is proposed as the next step in development.

Pershcourt Meet Supports Coghlan

A special meeting of shareholders called by a dissident group of shareholders of Pershcourt Gold Fields to "remove the present board of directors" heard a great deal of discussion but the controlling interests, headed by President J. J. Coghlan, continued in office.

The vote on the motion to remove the present directors was defeated with 1,034,502 shares voted against the motion and 951,746 shares for it.

An opposition tactic of packing the meeting with a number of persons holding only one share each failed to have any influence on the outcome.

COMPANY REPORTS

To assist readers in appraising and comparing company financial statements, The Financial Post has a uniform method of presenting corporation accounts. Variations from the companies' published reports are footnoted.

MATACHEWAN CONSOLIDATED MINES reports that while some values have been encountered in opening up a new level at 2,280 ft., it has not been possible to outline ore that could be mined and milled profitably under present conditions. While every effort is being made to find further ore, reserves dropped 256,350 tons in 1950.

A limited amount of ore was disclosed in drilling the adjoining British Matachewan property but grade was not high enough to warrant extraction at present costs.

Working capital, including securities at market value, amounted to $774,211 at the end of 1950. A final report has not yet been received on the results of work completed at Duport Mining Co. There are uncompleted financial commitments of $250,000 to Duport, part of which may be shared by associated companies.

INCOME ACCOUNT

Years Ended Dec. 31:	1950	1949
Metal sales	$719,879	$788,924
Less: Oper. exps.	743,287	687,848
Oper. profit	•23,408	101,076
Other Income	25,783	9,072
Cost-Aid	52,000	52,000
Total income	54,375	162,148
Less: Prov. for tax. ..	......	3,400
Def. dev. w/o	......	59,146
Depreciation	5,882	13,504
Outside expl.	5,086	4,573
Loss inv. sale	......	1,110
Net profit	43,407	80,415
•Loss.		
Less: Dividends	......	68,780
Surplus for year	43,407	11,635
Earned per Share	$0.013	$0.023
Paid	....	0.02

CONDENSED BALANCE SHEET

As at Dec. 31:	1950	1949
Cash & bullion	$322,863	$324,296
Dom. bonds	......	125,000
Mkt. secs.	293,290	282,628
Cost-Aid rec.	22,243	25,079
Accts. rec.	11,706	12,324
Supplies	128,576	150,409
Total curr. assets ...	778,678	899,736
Prep. exp.	5,180	7,318
Deposit re power	15,289	14,986
Invests.	392,858	154,558
Property	335,700	335,700
Def. develop.‡	28,000	28,000
Bldgs. & equip.*	13,725	19,608
Total assets	1,569,430	1,459,906
Total curr. liabs. ...	116,489	50,371
Capital stock	914,500	914,500
Earned surplus	538,441	495,035
*After deprec. of ...	953,653	947,771
‡After w/o	......	59,146
Working capital	662,189	849,365

OPERATING STATISTICS

	1950	1949
Tons milled	246,622	239,030
Average recov.	$2.92	$3.30
Ore reserves, tons	256,350	533,375
Grade ($35 gold) ...	$3.36	$3.63

Sioux Lookout Base Metal Find Is Made By Calder Bousquet

A discovery of base metals has been made on a new property of Calder Bousquet Gold Mines in the Sioux Lookout area, Ontario, southwest of the Newlund mine, The Financial Post learns officially.

Preliminary reports are sketchy but base metal values have been established in a replacement zone which may run from 100 to 200 ft. or more wide, it is understood. If the values are found to persist and are continuous, a base metal bet of more than average interest could result, according to field advices.

Values in lead have been reported. Field reports, not confirmed at head office, tell of zinc and gold values as well.

Home's Output Up Two-thirds

"Your sales have increased by about two thirds during the last few weeks owing to the purchases by the Pipe Line Company to Eastern Canada," states Jas. R. Lowery, president of Home Oil Co. in a report accompanying dividend cheques.

Production is now being taken from 35 wells in Turner Valley, 23 in Leduc, while a half interest is held in 12 Redwater wells and a 22½% interest is held in 56 other wells, mostly in the Woodbend field.

Output is reported as follows:

	April 1951	May 1951
Leduc	29,445	45,415
Woodbend	12,685	21,142
Redwater	6,890	14,894

Three wells have now been completed at Camrose and another is drilling. An intensive exploration campaign is being conducted in this area where 2,000 acres is held besides a third interest in another 30,000 acres.

Reviewing current activity, Major Lowery says that on May 25, Home spudded its No. 39 well at Turner Valley, located north of all present producing wells in that field. At Woodbend, the company is interested in six producers completed since the end of the year and a further well is drilling. Geophysical surveys have been carried out on three sections in which Home Oil holds about 70% interest and which are located near its producing wells.

In the region southeast of Calgary, seismic and gravity meter surveys are being carried out on 225,000 acres of Crown reservations.

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GOODYEAR RAYON CORD MULTI-V BELTS AND ROTARY HOSE PROVE RUGGED TEAM ON MOST WESTERLY OIL SEARCH

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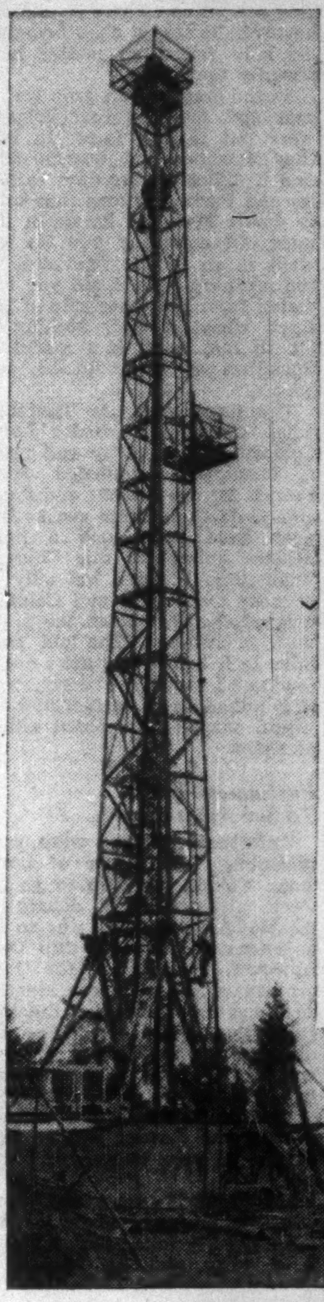
At left is shown the 127 foot rig with Goodyear Rotary Hose in operation for Royalite on Graham Island 100 miles out in the Pacific.
At right is the double diesel power unit linked by a Goodyear Rayon Cord Multi-V Belt drive delivering 360 h.p. to the pump unit.

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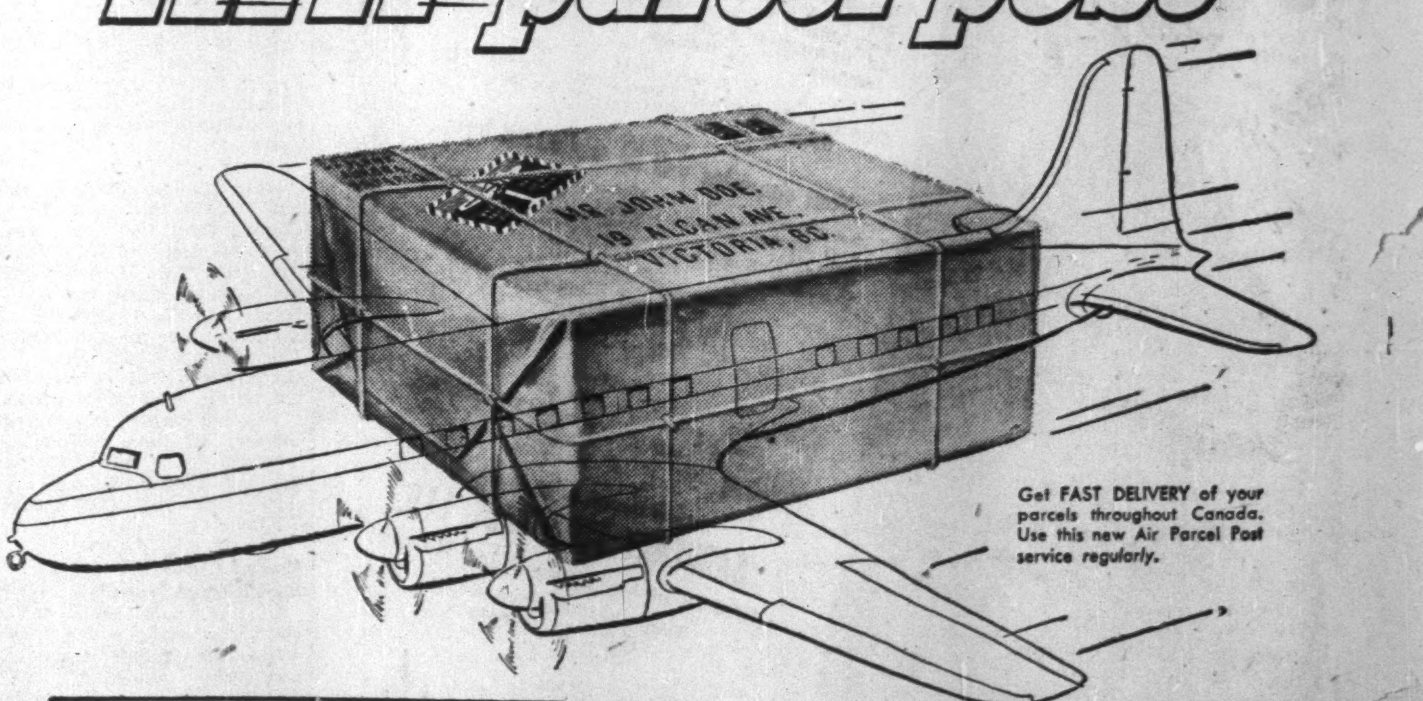
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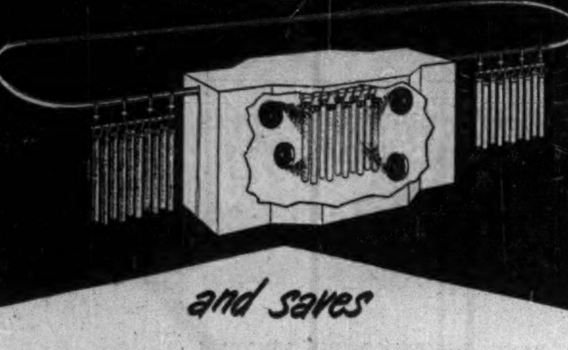

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LONDON CALLING—*By Adelphi*

U.K. Away to Races and Relaxation As Respite From Gloomy World Scene

LONDON — Royal Ascot has ended after a week of Royal summer weather. There has been nothing like it since before the war, either in weather or the quality of the racing and the elegance of it all. No wonder the visiting Americans rubbed their eyes at this glimpse of down-and-out England.

With admirable courage the Palace caused to be known that lounge suits would not be worn in the Royal Enclosure. I had better explain that the Royal Enclosure is a large section of the place, costing £10 admission for men whether for one day or the whole week, and £3 for ladies. No one who has been divorced, whether guilty or innocent, can gain admittance. There is nothing, however, to stop a chap bringing his lady friend no matter how friendly they are.

So the grey topper, grey waistcoat and morning coat brigade were out in full force. In fact they outshone the women who find it difficult these days to pay for the Paris creations that used to dazzle even the horses at the meet. Of course if you do not want to go in the Enclosure or the ordinary grandstand you can watch from the other side of the track where it costs nothing at all. In fact Ascot is a model of Socialism as it should be, but isn't.

The great day was Thursday when Churchill's wonder horse Colonist II was to try and repel a formidable challenge from France for the famous and valuable Gold Cup. There can hardly ever have been such a lion-hearted animal as this Churchillian grey. Winston has only to go near the stables and Colonist will nearly kick down the place with excitement. The old man talks to it before and after every race and I would not be surprised if it talked back. In fact nothing would surprise me about either of them.

* * *

Parliament Quits To See Ascot Race

Unfortunately there were complications. The House of Commons was in the grip of an all week, night and day, debate on the Budget and there was to be no exception for Gold Cup Day. However, the heart of the Government softened. A confidential deal was made between the two sides that there would be no divisions until after 6 p.m. I wonder in what other country two political parties in a struggle to the death would call a truce so that the Leader of one side should be able to see his horse run.

The crowds were enormous when the horses came out for this gruelling 2½ mile race. Colonist is a grey and he looked in wonderful shape. If he had his way he would race every day. But I wonder if Churchill told him that not a single newspaper had tipped him to win. One and all they agreed that 2½ miles was too long for him. They said he had no finishing speed and would fade away in the last two furlongs. Nevertheless, the bookmakers were not too sure and would not lay more than 13-2.

E. D. SCOTT

partner in the firm of J. H. Crang & Co., has been elected a member of the Montreal Curb Market.

Unfortunately one of the French stables had a pacemaker and sent it ahead with a spurt right away. Colonist has only one idea about a race and that is not let any horse be in front of him. So he at once took the lead from all the real contenders and tried to catch the decoy horse. The result was that the pace was as if the race was for a mile and a half.

* * *

French Horse Beats Churchill's Colonist

When the pacemaker fell back Colonist was happy. He had nothing in front of him and came into the straight looking an almost certain winner. One French horse after another, with thousands of pounds wagered on them, came up to challenge him and fell back, beaten. Top hats and cloth caps were being waved in all directions, and the shout "Come on Colonist!" was deafening. I swear that even the bookmakers were cheering for him, although half the nation had backed him.

And then, from the far side, a French horse came with a deadly challenge, galloping beautifully. Colonist saw him out of the corner of his eye and almost burst his heart trying to quicken his pace. I verily believe that if the French horse had been on the rails with Colonist the grey would have mastered him—but he saw him too late.

Churchill went to meet his horse as he entered the unsaddling enclosure while cheering crowds rushed to witness the scene. "You ran a good race," said the old man to the quivering Colonist, "and I am very pleased with you." My own impression was that Colonist was telling him that the Frenchman got past him when he wasn't looking, but I wouldn't know.

At tea, inside the Jockey Club, Churchill held court. Royalty, near royalty, owners and famous men crowded around him to congratulate and sympathize. All Churchill said was: "I thoroughly enjoyed it."

Three hours later at the weekly secret meeting of the Parliamentary Conservative Party, Winston was addressing his followers on the tactics to be pursued in the remainder of the Budget Debate. All day and all night Monday, and until 10 o'clock Tuesday night he had led his forces, speaking at three and seven in the morning as if it were a completely normal thing to do.

After breakfasting at 6.30, he caused a shudder to his colleagues by lighting a huge cigar and sitting down to read the first editions of the morning papers. No wonder he and Colonist get on so well together. If Winston could have a terrific scene every day in the Commons and Colonist could race daily against a lot of French horses they would both be happy. Truly we are not like to look upon such a combination again.

* * *

Now to less exciting things but pleasurable withal. The Canada Club dinner this year is to be a great affair. Viscount Alexander from Ottawa will be the principal guest, but Anthony Eden and Lew Douglas will challenge him for the limelight. The principal ministers of the Government will be there, and the tricky business of proposing "The other guests" (the Governor General will have a Toast all to himself) is to be entrusted to Beverley Baxter. It looks like a night out for the Canadian Colony.

* * *

Pound Value Rises Revaluation Seen?

On the whole London is in an optimistic mood which may be due to the weather or else to the incorrigible optimism of the British. The Socialists are being given credit for their stubborn defense of Imperial Preference despite the luring of the Americans and the disapproval of Canada. No British Government is going to loosen the bonds of the Sterling Bloc if it can be helped.

Persia is a nuisance, Egypt is a bore, Russia is a headache and Korea is a running sore, but the British do not believe that war is imminent. In fact the only gloomy faces we see are those of Aneurin Bevan and his followers who resigned as a protest against the rearmament expenditure which was about to result in a financial crash. Nothing is more discouraging than to prophesy disasters that do not materialize. In fact the value of the pound is rising so stubbornly that the wise men are predicting an early revaluation.

Nevertheless there are unhealthy signs as well. Chancellor Gaitskell is coming under heavy Tory attack because of his phobia about tax evasion. When this Budget becomes law no company registered in London will be able to transfer its registration to other parts of the Commonwealth without Treasury permission. This is a psychological blunder, for new companies will think twice before registering in London.

Then there is the punitive character of surtax which makes it impossible for a man earning £15,000 a year to be rewarded for outstanding services. To ask a man to risk health and give up all leisure to earn sixpence in the pound is to go against human nature. The present trend of taxation is to create underemployment among the nation's most valuable workers. The Tories were courageous about this. They were aware that there is no political advantage in fighting for the £15,000 a year man—but they have had the courage of their own convictions which is not always true of political parties.

* * *

The King's health is causing much anxiety. He is to take a long rest and there is little chance of his undertaking the planned visit to Australia. It is easy to speak well of a man on a throne but George VI ascended that throne when many thought it would not survive the abdication of Edward VIII. Today the British Monarchy is stronger in the respect and affections of the people than ever in Britain's history.

* * *

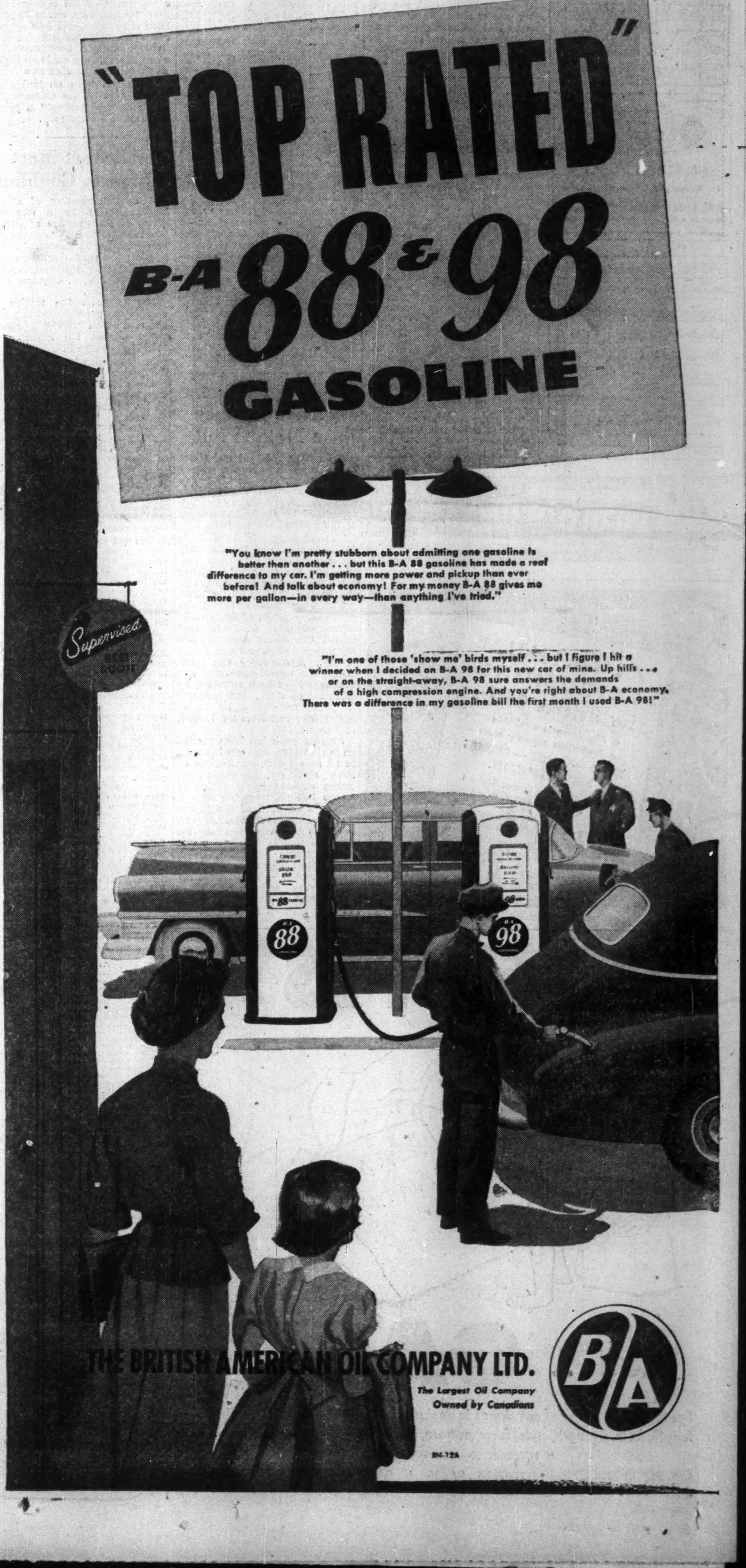
Lord Beaverbrook has arrived from Canada in high spirits but also with gout. Perhaps that is what comes from visiting countries where austerity is unknown and hospitality has no limits.

NAMED VICE-PRESIDENTS

B. J. McGUIRE **J. BRYAN VAUGHAN**

Kenneth J. McArdle, president of Public & Industrial Relations Limited, today announced the appointment of B. J. McGuire, Montreal, and J. Bryan Vaughan, Toronto, as vice-presidents of the company. Both have served as directors of the company since its formation.

*



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